



Notice of Availability

November 15, 2001

PCS Phosphate – White Springs has submitted a series of permit applications and other documents to federal, state, and local authorities related to continuation of the company's phosphate mining operations in Hamilton County, Florida. This submission is the culmination of work begun in late 1997 in cooperation with the U.S. Army Corps of Engineers, the Florida Department of Environmental Protection, Hamilton County, and other interested agencies and non-governmental parties. Included is a list of those parties receiving copies of the complete documents or of this notice and a map showing the project area. The documents are:

- **Draft Ecosystem Management Agreement.** This document serves as a summary of the various permitting actions and commitments of the parties. This document is available on the Internet at <http://www.dep.state.fl.us/northeast/admweb/pcsprogram/pcsover.htm>.
- **Draft Supplemental Environmental Impact Statement.** The DSEIS supplements the Environmental Impact Statement done for the company's mining operations in 1986. The underlying studies were reported in the Supplemental Technical Background Document of January 2000 and its addendum in November 2000.
- **Joint Application for Works in the Waters of Florida for Wetland Resource Alterations.** This application is submitted to the U.S. Army Corps of Engineers and the Florida Department of Environmental Protection for operations in certain wetlands.
- **Conceptual Reclamation Plan Modification.** This application is submitted to the Florida Department of Environmental Protection to describe mining, mining operations, and land reclamation over the entire project area.
- **Hamilton County Applications.** Included in this volume are the Hamilton County Master Mining Plan amendment, Special Permit application for mining, Hamilton County Comprehensive Plan amendment, and a modification of the company's Development of Regional Impact approval for the mining operation.

These documents are available for review at the agencies on the attached list, and at the Hamilton County Courthouse and the public library in White Springs. Additional copies may be obtained from the company for the cost of reproduction.

For additional information, contact:

- U. S. Army Corps of Engineers: Kelly Finch, Gainesville Regulatory Office, telephone (352)332-6993
- Florida Department of Environmental Protection: Orlando Rivera, Bureau of Mine Reclamation, telephone (850)488-8217
- Hamilton County: Mike Williams, County Coordinator, telephone (386)792-6639
- PCS Phosphate: Stan Posey, Manager Environmental Affairs, telephone (386)397-8304

DOCUMENT DISTRIBUTION LIST – PCS PHOSPHATE ECOSYSTEM MANAGEMENT AGREEMENT APPLICATION PACKAGE							
		Complete Documents (number of copies)					Notice of Availability
NAME	COMPANY/AFFILIATION	County	D/F	CRP	SEIS	EMA	
Frank Darabi							*
Hamilton County Courthouse		1	1	1	1	1	
Helen Hood					1	1	*
White Springs Library		1	1	1	1	1	
Eric Draper	Audubon of Florida				1	1	*
Wink Winkler	BCI Engineers & Scientists, Inc.	1	1	1	1	1	
Scott Thomas	Bienville Plantation			1		1	*
Matthew Hawkins, Mayor	City of Jasper						*
Joseph McKire, Mayor	City of White Springs						*
John Knox, Chairman	Columbia County, Board of County Commissioners						*
Kelly C. Finch	Corps of Engineers, Gainesville Regulatory Office		1	1	1	1	*
Colonel James G. May	Corps of Engineers, Jacksonville District						*
John Hall, Chief	Corps of Engineers, Regulatory Division						*
Marie Burns	Corps of Engineers, Regulatory Division	1	2	1	2	3	
Jasmine Raffington	DCA, State Clearinghouse						*
David B. Struhs, Secretary	DEP						*
Don Jensen	DEP						*
Doug Oliver	DEP, Bureau of Mine Reclamation	2	2	2	2	2	
Joseph Bakker, Chief	DEP, Bureau of Mine Reclamation					1	*
Orlando Rivera	DEP, Bureau of Mine Reclamation					1	*
Dana Bryan	DEP, Bureau of Natural and Cultural Resources					1	*
Ernest Frey, Director, NE District	DEP, Jacksonville					1	*
Jodi Hopkins	DEP, Jacksonville	1	1	1	1	1	
Charles Bronson, Commissioner	Department of Agriculture & Consumer Services						*
Ken Kuhl	Department of Agriculture & Consumer Services						*
Jim Crews	Department of Community Affairs	1				1	*
Steven M. Seibert, Secretary	Department of Community Affairs						*
Walker Banning	Department of Community Affairs						*
Mark Gluckman	Development Advisory Services, Inc.					1	*
Roger Burford	Economic & Issues Research, Inc. (PCS)				1	1	*
John Davis	Environmental Services & Permitting, Inc. (PCS)	1	1	1	1	1	
Dr. Allan L. Egbert, Executive Director	Fish and Wildlife Conservation Commission						*
Terry Gilbert	Fish and Wildlife Conservation Commission		1		1	1	*
Craig Diamond	Florida Chapter of the Sierra Club				1	1	*
Jane Walker	Florida Defenders of the Environment				1	1	*
Frank Sedmera	Four Rivers Audubon				1	1	*
Mike Williams	Hamilton County Coordinator						*
A. L. Miller	Hamilton County Planning and Zoning Board						*
Scott Shirley, Esq.	Hamilton County, Ard, Shirley and Hartman, P.A.	1	1	1	1	1	
Leon McGauley	Hamilton County, Board of County Commissioners						*
Lewis Vaughn	Hamilton County, Board of County Commissioners						*
Mike Adams, Chairman	Hamilton County, Board of County Commissioners	8	2	2	2	8	
Randy Ogburn	Hamilton County, Board of County Commissioners						*
Ronny Morgan	Hamilton County, Board of County Commissioners						*
John McCormick	Hamilton County, County Attorney						*
Victoria Tschinkel	Landers & Parsons				1	1	*
Larry Thompson	LEAF				1	1	*
Alfred Martin, Chairman	Madison County, Board of County Commissioners						*
Charlie Justice	North Central Florida Regional Planning Council						*
Steve Dopp	North Central Florida Regional Planning Council	1				1	*
Stan Posey	PCS Phosphate - White Springs	3	3	3	3	3	
Randy Armstrong	Phoenix Environmental (PCS)	1	1	1	1	1	
Bill Schimming	Potash Corporation of Saskatchewan	1	1	1	1	2	
Svenn Lindskold	Save Our Suwannee				1	1	*
Valinda Subic	Stephen Foster State Folk Culture Center					1	*
D.M. Udell, Chairman	Suwannee County, Board of County Commissioners						*
Charles Houder	Suwannee River Water Management District				1	1	*
David Still	Suwannee River Water Management District						*
Jerry Scarborough, Executive Director	Suwannee River Water Management District						*
Betsy Donley	The Nature Conservancy				1	1	*
James (Jimmy) I. Palmer, Jr.	U.S. EPA, Regional Administrator						*
Haynes Johnson	U.S. EPA		1		1	1	*
Pete Benjamin	U.S. Fish and Wildlife Service		1		1	1	*
Will Metz, District Ranger	U.S. Forest Service						*

November 15, 2001

THURSDAY, NOVEMBER 8, 2001

947 Jasper Legals

White Springs, FL. Copy of said Ordinance may be inspected by any member of the public at the Office of the Clerk, Town Hall located at the intersection of Bridge St. and Collins. White Springs, Florida on the date, time and place first above-mentioned all interested persons may appear and be heard with respect to the proposed ordinance. All persons are advised that, if they decide to appeal any decision made at this public hearing, they will need a record of the proceedings and, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Ordinance 01-07 an ordinance adopting a fee schedule for certain building permits and providing for inspection services in that regard; amending and modifying any existing building code ordinances to conform and comply with the fee schedule as provided in this ordinance; repealing all ordinances and parts of ordinances in conflict; providing for severability; and providing an effective date.

11/08

NOTICE OF PUBLIC MEETING

DATE AND TIME:

Thursday, November 15, 2001
at 10:00 AM

PLACE: SRWMD Conference Room
9225 County Road 49
Live Oak, FL 32060
Phone: (386) 362-1001 or
1-800-226-1066 (inside
Florida) for directions.

The Department of Environmental Protection (DEP), Hamilton County (County), and the United States Army Corps of Engineers announce a meeting to which interested parties are invited, to discuss the submittal of an application for an Ecosystem Management Agreement (EMAg) for the PCS Hamilton County Mine. This submittal will contain several applications for the expansion of PCS Phosphate mining operations in Hamilton County. The following approvals are being jointly sought within an Ecosystem Management Agreement (EMAg) submittal package:

Hamilton County: Amendment to the Special Permit for Phosphate Mining, Mining Operations and Reclamation, pursuant to Hamilton County Land Development Code Section 14.7.2, amendment to the Development of Regional Impact/Comprehensive Plan. Contact Jackie Toner at (386) 792-0507 or Michael D. Williams, County Coordinator, (386) 792-6639, Fax 792-6808, email hamiltoncounty@alltel.net for times and locations of county public hearings or for further information.

USACOE: Modification to the mine's Dredge and Fill Permit. Individual Permit 198404652(1P-KF). Public Notice will be issued following applications submittal. The Public Notice will be available on the USACE, South Atlantic Jacksonville Website: www.saj.usace.army.mil. Contact Kelly Finch, USACE, Gainesville Regulatory Office at (352) 332-6993 or fax (352) 332-8583 for application comment period or further information.

DEP BOMR: Modification to the mine's Conceptual Reclamation Plan. Mine-wide modification to Wetland Resource Permitting. Contact Orlando Rivera at (850) 488-8217 for application comment period or further information.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting should notify the Personnel Specialist in the Bureau of Personnel at (850) 488-2996 at least 48 hours in advance. If you are hearing or speech impaired, please contact the agency by calling (800) 955-8771 (TDD).

PURPOSE OF MEETING: To provide an overview of the PCS EMAg application and the EMAg review process, provide an opportunity for question and answer session, and receive public input on the EMAg application.

To be added to the interested parties list for the EMAg or for more information, please write to Florida Department of Environmental Protection, 7825 Baymeadows Way, Suite B200, Jacksonville, FL 32256 (Attn. Elizabeth Tedder), call (904) 807-3208, or e-mail Elizabeth.Tedder@dep.state.fl.us.

11/08.15

DEPARTMENT OF DEFENSE**Corps of Engineers, Department of the Army****Intent To Prepare a Draft Supplemental Environmental Impact Statement (E-SEIS) for Permitting Continued Mining Operations of PCS Phosphate, White Springs (Hamilton County), Florida**

AGENCY: U.S. Army Corps of Engineers, Department of Defense.

ACTION: Notice of Intent.

SUMMARY: The Jacksonville District, U.S. Army Corps of Engineers, Regulatory Division (Corps), has received a request for a modification to Department of the Army permit no. 19840452 for the PCS Phosphate-White Springs mine (PCS Phosphate), located in Hamilton County, Florida. A more minor modification was issued in 1997. The Corps has determined that the proposed modification of the existing permit will involve substantial changes that are relevant to environmental concerns. Therefore, a Supplement to the Final Environmental Impact Statement, dated February 1986 will be prepared.

ADDRESSES: Chief, Regulatory Division, U.S. Army Corps of Engineers, P.O. Box 4970, Jacksonville, Florida 32232-0019.

FOR FURTHER INFORMATION CONTACT: Osvaldo Collazo, 904-232-1675.

SUPPLEMENTARY INFORMATION: PCS Phosphate has been engaged in phosphate mining in its project area in Hamilton County under permits from the Corps, Florida Department of Environmental Protection (DEP), and Hamilton County. The current Federal permit will expire in 2002. PCS Phosphate has begun the application process with state and Federal regulatory agencies for the permitting of continued mining operations within the company's 100,000-acre project area in Hamilton County. The modification involves mining new sites within the general boundary of the project area. This is the same project area reviewed under the original EIS.

Proposed new mining areas include jurisdictional wetlands. Permit modification would be issued under Section 404 of the Clean Water Act, as amended. Permits would be issued under a joint permitting process with the DEP. A new permit would also be required from Hamilton County. Other state, regional, and Federal agencies are expected to participate in the permit evaluation. Mitigation for loss of wetland functions and values is anticipated.

In addition, PCS Phosphate has requested that the DEP initiate a process

under s. 403.752, Florida Statutes for coordinated review and agency actions. The process will be expected to result in a binding ecosystem management agreement, which would include the required state permits and approvals. The ecosystem management agreement process requested by PCS Phosphate includes the opportunity for public participation and comment. The Corps agreed that these public meetings would also serve the purpose of the scoping process and review and the SEIS and permit actions. The first public meeting was held on December 11, 1997. Public comment was initially requested in two areas: (1) the scope of the environmental studies to be performed for support of permitting actions and (2) identification of persons or organizations for both active participation in the process and receipt of periodic mailings. Coordination has included a number of Federal, state, regional, local agencies, and environmental groups including but not limited to the following: U.S. Fish and Wildlife Service, U.S. Environmental Protection Agency, Florida Department of Environmental Protection, State Historic Preservation Officer, Suwannee River Water Management District, Hamilton County, Florida Department of Community Affairs, Florida Game and Freshwater Fish Commission, Sierra Club, 4 Rivers Audubon, and Florida Defenders of the Environment.

Scoping: The public meetings provided much information that has served the scoping process. A draft Plan of Study for the Ecosystem Management Agreement and the SEIS has been prepared. This Plan of Study is intended to fulfill the information requirements for all anticipated regulatory actions. The results of the study will be compiled into a Supplemental Technical Background Document (TDB) and analyzed in a SEIS. The document can be made available for review upon request. The Corps will hold a formal public scoping meeting on July 30, 1998. All parties are invited to participate in the scoping process by identifying any additional concerns on issues, studies needed, alternatives, procedures, and other matters related to the scoping process.

Public Participation: We invite the participation of affected Federal, state and local agencies, and other interested private organizations and individuals.

Draft SEIS Preparation: We estimate that the Supplemental TDB will be available to the public on or about mid 1999, and the Draft SEIS will be prepared later that year.

Dated: June 17, 1998.

Marie G. Burns,

Acting Chief, Regulatory Division.

[FR Doc. 98-17483 Filed 6-30-98; 8:45 am]

BILLING CODE 3710-AJ-M

DEPARTMENT OF EDUCATION**National Assessment Governing Board**

AGENCY: National Assessment Governing Board; Department of Education.

ACTION: Notice of Information Collection Activity; Request for Comment.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this notice announces a proposed information collection request (ICR) of the National Assessment Governing Board. The information collection is to conduct pilot tests of items developed for use in the proposed voluntary national tests in 4th grade reading and 8th grade mathematics. Before submitting the ICR to the Office of Management and Budget (OMB), the Governing Board is soliciting comments on the information collection as described below.

DATES: Comments must be submitted on or before August 31, 1998.

ADDRESSES: Submit written comments identified by "ICR: Voluntary National Tests—Pilot," by mail or in person addressed to Ray Fields, Assistant Director for Policy and Research, National Assessment Governing Board, Suite 825, 800 North Capitol Street, NW, Washington, DC, 20002. Comments may be submitted electronically by sending electronic mail (e-mail) to Ray __ Fields@ED.GOV. Comments sent by e-mail must be submitted as an ASCII file avoiding the use of special characters and any form of encryption.

All written comments will be available for public inspection at the address given above from 8 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: Ray Fields, Assistant Director for Policy and Research, National Assessment Governing Board, Suite 825, 800 North Capitol Street, NW, Washington, DC, 20002, Telephone: (202) 357-0395, e-mail: Ray __ Fields@ED.GOV.

SUPPLEMENTARY INFORMATION:**I. Information Collection Request**

The National Assessment Governing Board is seeking comments on the following Information Collection Request (ICR).

Type of Review: New.



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT CORPS OF ENGINEERS
P. O. BOX 4970
JACKSONVILLE, FLORIDA 32232-0019



CESAJ-RD

- 19 JUN 1998

19 JUN 1998

PUBLIC NOTICE

Supplemental Environmental Impact Statement
Scoping Process
Invitation for Comments and to Public Meeting

TO WHOM IT MAY CONCERN: The purpose of this notice is to invite written comments and to announce a public meeting as part of the Scoping Process for a Supplemental Environmental Impact Statement (SEIS). The Jacksonville District of the U.S. Army Corps of Engineers (Corps) intends to prepare a Draft Supplemental Environmental Impact Statement for continued mining operations by PCS Phosphate, White Springs, Hamilton County. The purpose of the Scoping Process is to provide an early and open process to determine the scope of the issues that will be addressed and analyzed in the SEIS, pursuant to Section 102 of the National Environmental Policy Act (NEPA) (42 U.S.C. 4371 et seq., 43 CFR Section 1501.7).

PROJECT NAME: Supplemental Environmental Impact Statement for permitting continued mining operations of PCS Phosphate, White Springs, Hamilton County, Florida.

LOCATION: Hamilton County, Florida.

BACKGROUND: PCS Phosphate has been engaged in phosphate mining in its project area in Hamilton County under permits from the Corps, Florida Department of Environmental Protection (DEP), and Hamilton County. The current Federal permit will expire in 2002. PCS Phosphate has begun the application process with state and Federal regulatory agencies for the permitting of continued mining operations within the company's 100,000-acre project area in Hamilton County. The modification involves mining new sites within the general boundary of the project area. This is the same project area reviewed under the original EIS.

Proposed new mining areas include jurisdictional wetlands. Permit modification would be required under Section 404 of the Clean Water Act, as amended. Other state, regional, and Federal agencies are expected to participate in the permit evaluation.

Mitigation for loss of wetland functions and values is anticipated.

PCS Phosphate has requested that the DEP initiate a process under s.403.752, Florida Statutes for coordinated review and agency actions. The process will be expected to result in a binding ecosystem management agreement, which would include the required state permits and approvals. The ecosystem management agreement process requested by PCS Phosphate includes the opportunity for public participation and comment. The Corps agreed that these public meetings would also serve the purpose of the scoping process and review of the SEIS and permit actions. The first public meeting was held on December 11, 1997. Public comment was initially requested in two areas: 1) the scope of the environmental studies to be performed for support of permitting actions and 2) identification of persons or organizations for both active participation in the process and receipt of periodic mailings. Coordination has included a number of Federal, state, regional, local agencies, and environmental groups including but not limited to the following: U.S. Fish and Wildlife Service, U.S. Environmental Protection Agency, Florida Department of Environmental Protection, State Historic Preservation Officer, Suwannee River Water Management District, Hamilton County, Florida Department of Community Affairs, Florida Game and Freshwater Fish Commission, Sierra Club, 4 Rivers Audubon, and Florida Defenders of the Environment.

SCOPING: The public meetings provided much information that has served the scoping process. A draft Plan of Study for the Ecosystem Management Agreement and the SEIS has been prepared. This Plan of Study is intended to fulfill the information requirements for all anticipated regulatory actions. The results of the study will be compiled into a Supplemental Technical Background Document (TBD) and analyzed in a SEIS. The document can be made available for review upon request. The Corps will hold a formal public scoping meeting on July 30, 1998. All parties are invited to participate in the scoping process by identifying any additional concerns on issues, studies needed, alternatives, procedures, and other matters related to the scoping process.

PUBLIC INVOLVEMENT: We invite the participation of other affected Federal, state and local agencies, and interested private organizations and individuals.

OTHER ENVIRONMENTAL REVIEW AND CONSULTATION: The proposed action would involve evaluation for compliance with guidelines pursuant to Section 404(b) of the Clean Water Act and application (to the State of Florida) for Water Quality Certification pursuant to Section 401 of the Clean Water Act.

DRAFT SEIS PREPARATION: We estimate that the Supplemental TBD will be available to the public on or about mid 1999, and the Draft SEIS will be prepared later that year.

PURPOSE: The purpose of this SEIS is to: (1) establish a better foundation of information and knowledge of existing conditions; (2) identify and assess project alternatives; identify and assess mitigative measures; and identify potential environmental gains for the ecosystem.

COMMENTS. The Corps hereby solicits comments from the public, Federal agencies, State and local agencies and officials, and any other interested parties on the scope of this SEIS. Comments may be made on more than one issue. After consideration of the comments, the Corps will define the scope of the SEIS.

In the evaluation of the alternatives, the SEIS will consider impacts on protected species, health, conservation, economics, aesthetics, general environmental concerns, wetlands (and other aquatic resources), historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people, and other issues identified through scoping, public involvement, and interagency coordination.

Any other views, opinions, or information are also welcomed and will be considered by the Corps in the determination of the scope.

PUBLIC MEETINGS AND SUBMISSION OF COMMENTS. A public meeting will be hosted by the Corps on July 30, 1998. The meeting will be at the Suwannee River Water Management District's conference room, from 9:00 a.m. to 12:00 p.m. The purpose of the meeting is to provide an opportunity for interested citizens to verbally present their comments in addition to or in lieu of written comments. For accuracy of record, all relevant information should be submitted in writing at the meeting or be previously mailed to the District Engineer. Written comments should be

submitted in writing to the District Engineer at the letterhead address not later than August 14, 1998.

QUESTIONS. If you have any questions on this public notice, you may contact Osvaldo Collazo at the letterhead address, e-mail at osvaldo.collazo@usace.army.mil or by telephone at (904) 232-1675.

for *Mani S. Burns*
John R. Hall
Chief, Regulatory Division

NOTE: The entire document is not available to download at one time. Each section available is listed below.

All documents are in Adobe Acrobat PDF format. Click [here](#) to download the latest version of Adobe Acrobat.

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1. [Draft EIS](#) (4.7MB/114 pages)
 2. [Technical Background Document \(Volume 1\)](#) (5.3MB/156 pages)
 3. [Technical Background Document \(Volume 2\)](#) (11.3MB/354 pages)
 4. [Technical Background Document \(Volume 3\)](#) (9.85MB/298 pages)
 5. [Technical Background Document \(Volume 4\)](#) (9.95MB/263 pages)
 6. [Technical Background Document \(Appendices\)](#) (4.7MB/189 pages)
 Contents of 6. include: Appendix A -- Water Resources Data
 Appendix B -- Archeological Artifacts
 Appendix C -- Wetlands Evaluation
 Appendix D -- Evaluation Criteria for Selected Species
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For questions regarding this project, contact :

John Hendrix at the Gainesville Regulatory Office, 101 NW. 75th Street, Suite 3, Gainesville, Florida 32607-6993 or by e-mail at Kelly.C.Finch@saj02.usace.army.mil

or

Marie G. Burns at the North Permits Branch, Jacksonville District Office, Post Office Box 4970, Jacksonville, Florida 32232-0019 or by e-mail at Marie.G.Burns@saj02.usace.army.mil

Problems regarding broken links can be directed to Noemi Colon-Acosta by e-mail at noemi.e.colon@saj02.usace.army.mil

Date Created: 25 August 1999
Date Revised: 23 August 2001





UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E.
ATLANTA, GEORGIA 30365

JUN 28 1994

Dr. John A. Hall, Chief
Regulatory Division
U.S. Army Corps of Engineers
P.O. Box 4970
Jacksonville, Florida 32232

RE: Milestone III Report for Wetland Reclamation Success
Monitoring at Occidental Chemical Corporation (84B-4652)

Dear Dr. Hall:

The U.S. Environmental Protection Agency (EPA) has completed our review of the above referenced document and on June 23, 1994 we participated in a site inspection of restoration sites with Laura Mahoney, of your staff. Based upon that inspection it is EPA's determination that Occidental Chemical Corporation has successfully met the restoration criteria in Milestone III of the 1987 Memorandum of Understanding between Occidental Chemical Corporation, the U.S. Environmental Protection Agency, and the Florida Department of Environmental Regulation (Protection). Therefore, it is EPA's recommendation that Phase III mining in the Swift Creek Swamp be authorized.

All milestones have been successfully achieved except seed production by Taxodium in SA-1 where seed production was less than the required 5%. However, based upon our inspection and review of seed production data from other sites, it is probable that Taxodium in SA-1 will produce seeds in the near future.

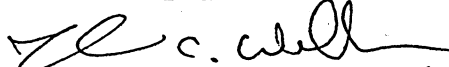
Restoration sites SP-4, SR-8, and the Green Area appeared to have an excellent chance of achieving a diverse forested wetland system as plants mature; wetland restoration is less successful at SA-1. Restoration site SA-1 was constructed on the oldest clay settling area at the Suwannee River Mine and had a mature stand of black willow trees before the demonstration planting and monitoring was initiated. Even though areas were cleared of black willow trees, they have rapidly regrown and form a closed canopy over the entire demonstration site. The presence of willows has resulted in a slower growth rate of planted species and may be responsible for reduced survival. It is unlikely that SA-1 will achieve a diverse forested wetland community without control measures to reduce the population of willow trees.

Occidental Chemical Corporation has agreed to continue monitoring of the four demonstration project sites at a reduced level. During our site inspection we discussed monitoring the sites every other year. EPA requests that Occidental provide us with copies of future monitoring reports so that we can continue

to track the successful reclamation of these sites. Data from these sites will be particularly useful in establishing success criteria for future restoration projects. Of particular concern is ascertaining the age at which measurement of the ground cover criterion should be eliminated from determining success of planted forested systems.

Thank you for the opportunity to provide our comments on the Milestone III Report and for making arrangements for the site inspection. If you have any questions concerning our comments in this matter, please contact Bill Kruczynski at telephone (904) 934-9279.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'T.C. Welborn', written in a cursive style.

Thomas C. Welborn, Chief
Wetlands Protection Section



DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT CORPS OF ENGINEERS
P. O. BOX 4970
JACKSONVILLE, FLORIDA 32232-0019

REPLY TO
ATTENTION OF

AUG 25 1994

Regulatory Division
Enforcement Branch
84B-4652

Mr. Stanley W. Posey
Occidental Chemical Corporation
County Road 137, P.O. Box 300
White Springs, Florida 32096

Dear Mr. Posey:

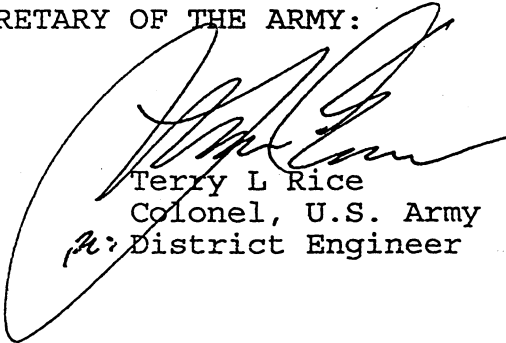
Reference is made to your letter dated April 18, 1994, and to Department of the Army permit number 84B-4652 issued to Occidental Chemical Corporation. The U. S. Army Corps of Engineers has reviewed your report entitled "Milestone III Report for Wetland Reclamation Success Monitoring at Occidental" dated March 1994. In the referenced letter you requested acknowledgement that Occidental Chemical has achieved the requirements set forth within the subject permit as they relate to Milestone number III.

We have reviewed your report, participated in a review of the demonstration areas, and coordinated your findings with the Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP). A letter dated June 28, 1994, was received from the EPA acknowledging the achievement of Milestone III with one exception. Taxodium seed production in SA-1 was not met in accordance with the milestone requirements. However, based on seed production data from other sites, it is anticipated that seed production will occur in the near future.

The Corps acknowledges that the requirements of Milestone III have been met, with the exception of Taxodium production in SA-1. Occidental may move forward with the conditional mining attached to the success of Milestone III in accordance with the subject permit special conditions. It is requested that Occidental Chemical continue to provide monitoring reports of the four demonstration areas to the Corps, EPA and FDEP on a bi-annual basis.

We thank you for your cooperation with our permit program. If you have any questions, please contact Laura Mahoney, of my Regulatory Division staff, at the letterhead address or by telephone at (904) 232-1683. You should attach this letter to the permit.

BY AUTHORITY OF THE SECRETARY OF THE ARMY:



Terry L Rice
Colonel, U.S. Army
District Engineer



DEPARTMENT OF THE ARMY
JACKSONVILLE DISTRICT CORPS OF ENGINEERS
GAINESVILLE REGULATORY OFFICE
101 NW 75TH STREET, SUITE 3
GAINESVILLE, FLORIDA 32607-1609

Regulatory Division
North Permits Branch
198404652 (JD-JH)
JURISDICTIONAL

June 30, 2000

Mr. Stanley W. Posey
PCS Phosphate
County Road 137
Post Office Box 300
White Springs, Florida 32096

Dear Mr. Posey:

Reference is made to your correspondence dated April 20 and June 21, 2000, requesting verification of a wetlands jurisdictional determination for the PCS supplemental EIS project area located in Hamilton County, Florida.

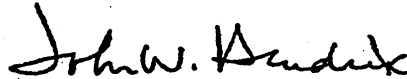
The 1994 USGS aerial photographic delineation reviewed by the technical WRAP team in June 1999 and submitted to this office represents the approximate upland/wetland boundary for purposes of determining the U.S. Army Corps of Engineers jurisdictional line. The jurisdictional areas (marked as wetlands, or navigable waters, or waters of the United States) are regulated by the U.S. Army Corps of Engineers pursuant to Section 10 of the Rivers and Harbors Act of 1899 and/or Section 404 of the Clean Water Act of 1977. Activities conducted in these areas may require Department of the Army authorization. The basis for verification of this jurisdictional determination is attached for your information. Also, a form for appealing the results of this jurisdictional determination is attached for your use, if applicable.

Please be advised that the jurisdictional delineation shown is based on the Corps of Engineers Wetlands Delineation Manual (1987) and is valid for a period no longer than five years from the date of this letter unless new information warrants revision of the determination before the expiration date. If after the five-year period, this jurisdictional delineation has not been specifically revalidated by the Corps of Engineers, it shall automatically expire. Any reliance upon this jurisdictional determination beyond the expiration date could result in activity which would not comply with current Federal laws and/or regulations. You may request revalidation of the jurisdictional delineation prior to the expiration date, although the review of a revalidation request will be considered under the method of jurisdictional determination and other regulations applicable at the time of the request.

You are cautioned that construction work, dredging or excavation, placement of dredged or fill material, or mechanized land clearing, performed below the mean high water line or ordinary high water line in navigable waters, or in other waters, including wetlands, of the United States, without a Department of the Army permit could subject you to enforcement action. Receipt of a permit from the Florida Department of Environmental Protection or a water management district does not obviate the requirement for obtaining a Department of the Army permit for the work described above prior to commencing work.

Thank you for your cooperation with the U.S. Army Corps of Engineers Regulatory Program. If you have any questions regarding this matter or the Corps of Engineers regulations, please contact me in the, Gainesville Regulatory Office, 101 N.W. 75th Street, Suite 3, Gainesville, Florida 32607, or by telephone at 352-332-6993.

Sincerely,



John W. Hendrix
Team Leader/Biologist
Gainesville Regulatory Office

Enclosure

Copy Furnished: Environmental Services and Permitting, Inc., Post Office Box 400, Alachua, Florida 32616-0400.

Regulatory Division
Basis for Jurisdictional Determination

Action ID Number: 198404652 (JD-J4)

Applicant: PCS Phosphate

Date: 6-30-2000

 A. Property referenced in the attached correspondence does not include or contain any of the waters of the United States described below.

☒ B. Property referenced in the attached correspondence contains waters of the United States based on:

☒ The presence of wetlands as determined by application of the U.S. Army Corps of Engineers Wetland Delineation Manual.¹

☒ The wetlands are adjacent to navigable or interstate waters, or eventually drain or flow into navigable or interstate waters through a tributary system that may include man-made conveyances such as ditches or channelized streams.²

☒ The wetlands are isolated; the nexus to interstate commerce is:

 The wetlands could be or are used by interstate or foreign travelers for recreation or other purposes.

 The wetlands have fish or shellfish that could be or are taken and sold in interstate or foreign commerce.

☒ The wetlands could be or are used for industrial purposes by industries in interstate commerce.

☒ Migratory birds are utilizing the wetlands, or the wetlands contain habitat for migratory birds.

☒ The wetlands contain commercially valuable agricultural (including aquacultural) or silvicultural products.

☒ The wetlands contain sand, gravel, oil, gas, or other minerals of commerce.

 Other: _____

 The presence of waters which are currently used, or were used in the past, or may be susceptible to use in interstate or foreign commerce, i.e., navigable waters of the United States (in part). Includes all property below the ordinary high water mark of the navigable stream or channel.³

 The presence of waters which are subject to the ebb and flow of the tide, including tidal wetlands, i.e., navigable waters of the United States (in part).^{1, 3}

☒ The presence of one or more tributaries (stream channels, man-made conveyances, lakes, ponds, rivers, etc.) that eventually drain or flow into navigable or interstate waters. Includes property below the ordinary high water mark of the tributary.³

 The presence of interstate waters.³

 The presence of an impoundment(s) of waters of the United States.

 The presence of territorial seas.

☒ The presence of other waters such as intrastate lakes (including abandoned borrow areas), rivers, streams (including intermittent streams), mudflats, sandflats, sloughs, or natural ponds, the use degradation or destruction of which could affect interstate or foreign commerce.

 The waters could be or are used by interstate or foreign travelers for recreation or other purposes.

 The waters have fish or shellfish that could be or are taken and sold in interstate or foreign commerce.

☒ The waters could be or are used for industrial purposes by industries in interstate commerce.

☒ Migratory birds are utilizing the waters, or the waters contain habitat for migratory birds.

☒ The waters contain commercially valuable agricultural (including aquacultural) or silvicultural products.

☒ The waters contain sand, gravel, oil, gas, or other minerals of commerce.

 Other: _____

¹ Wetlands are identified and delineated using the methods and criteria established in the Corps of Engineers Wetland Delineation Manual (87 Manual).

² Wetlands separated from other waters of the U.S. by man-made dikes or barriers, natural river berms, beach dunes, etc. are "adjacent wetlands".

³ The lateral limits of waters of the U.S. are/or have been determined by the high tide line, ordinary high water mark, and/or by the limit of adjacent wetlands.

Regulatory Project Manager: _____

John W. Benda

November 28, 2000

Ms. Marie Burns
U. S. Army Corps of Engineers
Regulatory Division
P. O. Box 4970
Jacksonville, FL 32232

Mr. Joseph Bakker
Florida Department of Environmental Protection
Bureau of Mine Reclamation
2051 East Dirac Drive
Tallahassee, FL 32301-3760

Mr. Mike Adams, Chairman
Board of County Commissioners of Hamilton County
207 Northeast First Street, Room 106
Jasper, FL 32052

Re: Permitting Authorities Meeting of November 7, 2000

Dear Marie, Joe, and Mike:

We appreciate the time that all of you took with us on November 7 to provide guidance for development of our mining continuation permitting applications. Some two years after we began this process, the foundation has been largely completed for these applications, with the cooperation and productive collaboration of all parties. We thought it would be useful to summarize our understanding of the direction we were given at the November 7 meeting.

The key points of the charge given to PCS are as follows:

- PCS is to produce a permitting, operational, and reclamation/mitigation scenario presuming that all areas mined after a certain, near-term date will be subject to conventional reclamation standards. Because of the time required for development of this scenario and because federal, state, and county permits would be required to be in place for its implementation, January 1, 2002 is the earliest reasonable effective date. We will assume that all required permits, modifications, and approvals are issued by that date.
- Conventional reclamation standards are understood to be those of the Bureau of Mine Reclamation in Chapter 16C-16, Florida Administrative Code (1994). The substantive requirements of that chapter are consistent with the requirements of Section 14.7.2 of the Hamilton County Land Development Regulations.
- The reclamation/mitigation plan for these areas will incorporate acre-for-acre, type-for-type wetland reclamation on a conceptual plan basis. Individual reclamation project areas may vary somewhat (plus or minus) from that requirement but the overall balance will be attained.
- The technical basis for development of the reclamation/mitigation plan for the wetland areas will be as described in the Supplemental Technical Background Document (STBD) of

January 2000. This includes the use of the Wetland Rapid Assessment Procedure (WRAP) as the basis for functional analysis, and the use of the values determined for various components and described in the STBD.

- Wetlands on clay settling areas are to be assigned acre-for-acre credit for FDEP and Hamilton County regulatory purposes, and given their respective WRAP values for federal regulatory purposes. For FDEP purposes, we will presume that the technical guidelines for reclamation of wetlands on clay settling areas will be satisfied.
- The federal requirement for a conservation easement on mitigation wetlands will require special consideration for areas where PCS does not have or expect to have the right to grant such an easement. We will consider and present alternatives, including the use of a discounted WRAP credit level based on the analysis of the impact of internal and external unregulated wetland disturbance in the STBD.

We believe, from preliminary assessment, that this analysis will show that acre-for-acre, type-for-type reclamation of wetlands can be achieved within the project boundary for the areas to be mined after 1/1/02, but that a deficit of WRAP credits will remain. One of the most critical components of this analysis will be the options available for addressing this deficit. We are currently assuming that we have two basic options:

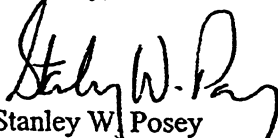
- creation of additional wetlands in the currently permitted area where alternate standards apply and wetlands creation is not therefore required (considering both lands owned by PCS and those not currently owned or expected to be owned), and
- acquisition (by fee simple or less-than-fee) of wetlands for permanent conservation.

Because the work described above requires additional evaluations within the existing permitted area that had not been previously planned, we will be delayed by an estimated three to six months in submittal of the permit applications package. Further interim permitting will therefore likely be necessary. Support from the permitting authorities for this interim permitting, especially with other agencies and parties (like U.S. EPA), would be appreciated.

If any of the understandings and assumptions described in this letter are incorrect or inconsistent with your understanding, we would appreciate advice as soon as possible. We will likely discuss this process at the next Ecosystem Management Advisory Team (EMAg) meeting on January 18, and will be prepared for further meetings and discussions with the EMAg and the permitting authorities as the work progresses.

Please let me know if you have any comments or require further information.

Sincerely,


Stanley W. Posey
Manager, Environmental Affairs

c: Vern Lloyd, PCS Phosphate
John Hendrix, U. S. Army Corps of Engineers
Randy Ogburn, Hamilton County
Lamar Hill, Hamilton County

Bill Schimming, Potash Corp.
Mark Glisson, Florida DEP
Greg Godwin, Hamilton County
Scott Shirley, Hamilton County

May 29, 2001

Ms. Marie Burns
U. S. Army Corps of Engineers
Regulatory Division
P. O. Box 4970
Jacksonville, FL 32232

Re: Jurisdictional/Permitting Issues Resolution

Dear Ms. Burns:

PCS Phosphate – White Springs (PCS) has been engaged for some months in development of a mitigation proposal for the permit application package expected to be submitted later this year to the Corps, the Florida Department of Environmental Protection, and Hamilton County. While the scope and characteristics of the application area have been identified by PCS, we have been unable to finalize a mitigation proposal pending resolution of the extent of Corps jurisdiction over the affected wetlands. There seems to be no question that the *SWANCC* decision of the U. S. Supreme Court leads to a significant reduction in Corps-jurisdictional wetlands for our project. We believe that a mutually acceptable approach to the permitting of this area can be reached without the necessity of a wetland-by-wetland review of potential federal jurisdiction. As we discussed on April 19 and 23, PCS suggests the following elements of such an approach.

As a preliminary matter, PCS and its consultants reviewed the wetlands jurisdictional determination of the Corps from June, 2000 for this area. Approximately 6,186 acres of wetlands would be affected in the application area. From a careful review of the USGS false color infrared aerial photos used as the basis for the jurisdictional determination, approximately 1,858 acres of wetlands would appear to be Corps jurisdictional under the criteria as we now understand them. Approximately 3,372 acres of wetlands would be isolated and therefore not Corps jurisdictional, and 956 acres of wetlands were not determinable without further consultation with the Corps. All of the 6,186 wetland acres would be state jurisdictional for mine reclamation purposes, of which approximately 1,145 acres would be state jurisdictional as “hydrologically connected to waters of the state” (also referred to in previous work as “DER” wetlands). The great majority of the acres denoted as Corps jurisdictional would have some relationship to these “DER” wetlands. We discussed the basis for these wetland categorizations with you and EPA.

With that foundation, PCS suggests the following elements of a resolution of jurisdictional and permitting issues. Please note that these elements can only be considered as part of a general resolution and not independently.

Future Permit

- A federal permit would be issued authorizing PCS to conduct its mining and mine support operations within a specifically identified area.
- PCS would commit to a minimum of acre-for-acre, type-for-type (forested vs. herbaceous) on-site reclamation of all wetlands (the 6,186 acres).

- PCS would commit to providing conservation easements within the Upper Suwannee River Region (or other acceptable form of permanent preservation including fee ownership) on one-third of a wetland acre per wetland acre mined. This could be limited to areas identified in the AMAT Strategic Plan. The conservation easement areas could include, but would not be required for, constructed on-site mitigation areas.
- A two-tier monitoring and release criteria system would be developed and applied.
 - The primary tier system would be applicable to a fixed acreage (up to the assumed Corps jurisdiction) of constructed, on-site mitigation project wetlands. Because of the pre-existing association with the "DER" wetlands, this tier would most likely be applied to the "DER" wetland mitigation projects, expanded to the required acreage. This tier would incorporate monitoring and release criteria similar to those routinely used for "DER" mitigation projects. The IMC "Mining Unit T" draft permit which was referenced in our meetings of April 19 and 23 was suggested as an example of such criteria. This draft permit includes some criteria that may be useful for consideration for our project but also includes some criteria that would need to be revised for general applicability. The "DER" wetlands mitigation work would be a subset in this tier.
 - The secondary tier system would be applicable to all other wetland reclamation projects. This tier would follow the standard (non-ERP) DEP Bureau of Mine Reclamation criteria used for isolated wetlands in our project area.
- Assuming wetland boundaries for the project area to be as described in the June 30, 2000 Corps jurisdictional determination, PCS would not contest Corps jurisdiction or seek further review of the interpretation of 33 CFR 328 as applied to this project.
- This framework would be applied to any future modifications to this permit to add areas within the potentially affected areas identified in the Technical Background Document of January 2000.

Current Permit

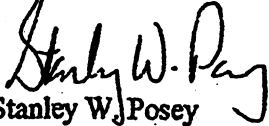
- Currently permitted wetlands to be mined after January 1, 2002 would be re-identified in revised permit maps as being mitigated through "pre-modification" (conventional) standards as previously defined.
- The existing financial obligation for a minimum contribution of \$15.4 million by the fifth annual contribution after the expiration of the permit would be proportionally reduced to match the wetland acres mitigated through the "post-modification" standards, and would be set to the contribution made in 2007.
- As an interim measure, the current permit would be extended for five years.
- PCS would not seek to revisit Corps jurisdiction in the currently permitted area.

Agreement on this approach would provide a basis for issuance of a "no permit required" letter from the Corps on the currently pending modification for the interim permit expansion area, recognizing that any wetlands in that area would be subject to acre-for-acre, type-for-type reclamation under conventional standards. There are obviously many details to work out during the permit process (including disposition of the special conditions of the May and June 2000 modifications of our current Corps permit), but we believe this framework can provide a means to conclude this process without unnecessary controversy.

Letter to Marie Burns
May 29, 2001
Page 3

By copy of this letter, we are advising other regulatory authorities that are party to our process of our progress on these issues. We will also be discussing these matters with DEP and Hamilton County prior to a joint meeting of the regulatory authorities. We will schedule a meeting among these parties as soon as possible to discuss implementation of these concepts, including state and county permitting considerations. Please let me know if you have any questions or comments.

Sincerely,



Stanley W. Posey
Manager, Environmental Affairs

c: Haynes Johnson, U.S. EPA, Region IV
Joe Bakker, Florida Department of Environmental Protection
Ernie Frey, Florida Department of Environmental Protection
Mike Adams, Chairman, Board of County Commissioners of Hamilton County

STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

OCCIDENTAL CHEMICAL)	
CORPORATION,)	
)	
Petitioner,)	
)	
vs.)	DOAH CASE NO. 92-4506
)	
DEPARTMENT OF ENVIRONMENTAL)	
PROTECTION,)	
)	
Respondent.)	
<hr/>		

MEMORANDUM OF AGREEMENT

WHEREAS Occidental Chemical Corporation ("Occidental") is the owner and operator of the Swift Creek and Suwannee River Phosphate Mines located in Hamilton County, Florida; and the Department of Environmental Protection ("DEP") is the successor agency to the Department of Natural Resources and is responsible for regulating reclamation activities for phosphate mining operations pursuant to the provisions of Chapter 378, Florida Statutes (1993), and Chapter 16C-16, Florida Administrative Code (1993); and

WHEREAS DEP issued a Final Order on June 12, 1992, denying Occidental's application for a modification of existing conceptual reclamation plans for the Swift Creek and Suwannee River mines and denying Occidental's application for approval of corresponding reclamation programs and corresponding program amendments; the DEP file numbers for the denied conceptual plan

modifications and reclamation programs are OCC-SC-CPA, OCC-SC-SC(1), OCC-SC-85(1)B (subsequently approved), OCC-SR-CPD, OCC-SR-HC(1), OCC-SR-HC(2) and OCC-SR-HC(3); and

WHEREAS Occidental petitioned for a formal administrative proceeding pursuant to Section 120.57(1), Florida Statutes (1993), contesting the DEP Final Order of June 12, 1992; the matter was referred to the Division of Administrative Hearings and a Hearing Officer was assigned; the matter has been held in abeyance pursuant to Orders of the Hearing Officer, with periodic status reports being filed, while the parties pursued settlement negotiations. The parties having reached a resolution of the issues which led to the issuance of the DEP Final Order of June 12, 1992, and having agreed to request DOAH to remand the matter so that DEP may take new agency action with respect to Occidental's requests for conceptual plan modification, the parties agree as follows:

1. Except as otherwise provided in this Memorandum of Agreement, all reclamation activities for the life of the Suwannee River and Swift Creek phosphate mining operations shall be governed by the standards of Chapter 378, Florida Statutes, and Chapter 16C-16, Florida Administrative Code, as existing on May 1, 1993. (Appendix A.) Reclamation shall not be required to conform to the "Integrated Habitat Network" described in the Bureau of Mine Reclamation document entitled "Guidelines for the Reclamation, Management and Disposition of Lands Within the Southern Phosphate District of Florida" dated January 20, 1993, nor shall reclamation

be required to conform to any similar standards more stringent than the referenced rule.

2. Areas of the Suwannee River and Swift Creek operations that are mined and disturbed after July 1, 1994, and that are subject to mandatory reclamation requirements pursuant to Chapter 378, Florida Statutes (1993), and Rule 16C-16, Florida Administrative Code (1993), as well as those areas specified in Paragraphs 6(E) and (F) of this Agreement, may be reclaimed in accordance with the alternate reclamation standards set forth in Paragraph 5 of this Agreement.

3. Within six months of the effective date of this Memorandum of Agreement, Occidental shall prepare and submit to DEP revised applications to modify its existing conceptual reclamation plans for the Suwannee River and Swift Creek phosphate mines to implement the terms of this Memorandum of Agreement. The parties recognize that variances from existing rule-based reclamation standards will be required to accommodate the applicability of the alternate reclamation standards specified in Paragraph 5 below. Occidental's applications shall identify the general areas in which it desires that alternate reclamation standards be applied. Occidental's applications shall include hydrologic analyses sufficient to support a determination of compliance with the hydrology standards set forth in Paragraph 5 below. Occidental shall diligently pursue other permits and authorizations which may be required from other agencies to implement this Agreement.

4. DEP shall process the applications for conceptual plan modification in accordance with the provisions of Section 120.60(2), Florida Statutes. When DEP proposes to take final agency action with respect to the applications, Occidental shall be entitled to a clear point of entry regarding the proposed agency action. DEP will cooperate in the permit modification process and, upon request, provide the U. S. Army Corps of Engineers with any needed information in the possession of DEP.

5. The parties agree that the following alternate reclamation standards shall be available to Occidental in formulating reclamation plans and programs for areas covered by Paragraph 2 of this Agreement. In evaluating proposed conceptual plan modifications and subsequent corresponding modifications to conceptual plans, reclamation programs, or program amendments, DEP shall consider granting Occidental variances to otherwise applicable requirements of Rule 16C-16.0051, Florida Administrative Code (1993), which are necessary to implement these alternate standards:

A. Rule 16C-16.0051(2)(a) - Variance required for dam slopes which shall be no steeper than 2.5H:1V for slopes not into a water body, and no steeper than 4H:1V for slopes into a water body. Interior spoil piles not accessible by land after reclamation shall have stable slopes and prevent turbid runoff subsequent to release from reclamation requirements.

B. Rule 16C-16.0051(3)(b) - No specific growing

medium will be required.

C. Rule 16C-16.0051(4) - Acre for acre and type for type wetland restoration shall not be required.

D. Rule 16C-16.0051(5) (a) - Neither the fluctuating zone nor additional wetlands will be required.

E. Rule 16C-16.0051(5) (b) - The shallow water zone shall not be required.

F. Rule 16C-16.0051(5) (c) - Lake perimeter treatments shall not be required, provided that water quality standards for (6) (a), (6) (b), and (7) (a) are maintained.

G. Rule 16C-16.0051(7) (b) - Restoration of the original drainage patterns shall not be required. Each basin's proposed reclamation mass flow shall fall within 85% to 105% of its pre-mining mass flow and each basin's post-reclamation peak flow shall be no greater than 105% of its pre-mining peak flow, in response to a 25 year, 24-hour storm event.

H. Rule 16C-16.0051(8) (a)1. - Occidental has the option of using flow-through, stage-fill, gravity flow, pumping or other conventional clay management methods.

I. Rule 16C-16.0051(8) (a)4. - Occidental has the option of using flow-through, stage-fill, gravity flow, pumping or other conventional waste disposal techniques.

J. Rule 16C-16.0051(8) (b)1. - Sand tailings may be deposited up to 15 feet above the maximum fluid level in settling areas and up to 10 feet above grade in other mined areas.

K. Rule 16C-16.0051(8) (b)2. - Except as specified in any permit requiring construction of wetland mitigation projects, tailings sand produced may be disposed in any operational area

within the mine boundary, including disposal in clay settling areas after the volume of clays determined by clay modeling to be efficiently disposable within the area have been so disposed.

L. Rule 16C-16.0051(9)(c) - The standards contained in this subparagraph of the rule shall not apply to spoil piles not accessible by land after reclamation.

M. Rule 16C-16.0051(9)(d) - Wetlands constructed will be designed to ensure that water quality and quantity standards are not violated.

6. In the event that DEP grants Occidental authorization for the reclamation of mined land covered by this Agreement incorporating each of the alternate reclamation standards contained in Paragraph 5 of this Agreement, Occidental shall be obligated to make periodic monetary contributions for the purpose of funding a project for the acquisition and management of environmentally sensitive lands in the areas described by the Suwannee River Water Management District as the Upper Suwannee Region. DEP agrees that this funding constitutes acceptable mitigation and, in conjunction with the reclamation that will be carried out in accordance with the standards contained in Paragraph 5 of this Agreement, complies with the applicable provisions of Chapter 378, Florida Statutes, and Rule 16C-16, Florida Administrative Code. This agreement for periodic contributions is based upon evaluation of the specific circumstances of Occidental's operations and existing environmental conditions. The terms and conditions of these periodic contributions are as follows:

(A) Contributions will be made on an annual basis to a

mutually-agreed upon nonprofit environmental organization in trust for the State of Florida and pursuant to an agreement to be entered into between that environmental organization and the State of Florida. The contributions will be made not later than March 1 of the year subsequent to mining.

(B) The contributions shall be on the basis of mined acres reported to the DEP in the annual report required by Section 16C-16.0091, Florida Administrative Code (1993), excluding those acres subject to permitting under Chapter 17-312, Florida Administrative Code (1993). Occidental shall provide semi-annual aerial photographs of active mining areas and shall make available for DEP review all internal surveys of mined areas. Occidental shall certify the validity of the reported mined acres in the annual report. DEP may independently verify the calculation of mined areas and Occidental shall provide access to the DEP or its agents for that purpose.

(C) Occidental's initial contribution will be due within 60 days of the date of final approval by DEP of the conceptual reclamation plan modifications for the Suwannee River and Swift Creek phosphate mines, or of the date of issuance of such modifications of Occidental's U.S. Army Corps of Engineers permit and the Hamilton County mining permit as are necessary or required to implement this Memorandum of Agreement, whichever is latest. Contributions will continue annually until the permanent cessation of Occidental's operations at the Swift Creek and Suwannee River phosphate mines in Hamilton County, Florida. If necessary federal and local permit modifications or other authorizations have not been issued within six months of approval

of the conceptual plan modifications, DEP may, at its option, terminate this agreement.

(D) For each acre mined after July 1, 1994, Occidental will contribute \$500. Alternatively, if DEP and other state and federal agencies approve plans and permit modifications for the Swift Creek mine incorporating the approval of clay settling areas 8B and 9 (and corresponding plans for the Suwannee River mine), the contribution rate will increase to \$1,000 per acre mined for the year in which construction of settling area 8B is begun (but not later than 1996) and the contributions will continue at that rate until the permanent cessation of Occidental's mining operations in Hamilton County, Florida.

(E) Occidental will make additional payments for existing settling areas 2, 3, and 4 at the Swift Creek mine, and settling areas 7, 12, 13, and 14 at the Suwannee River mine at the rate of \$500 per acre. These contributions will be due for the years in which the respective settling areas are permanently removed from service.

(F) Occidental will make additional payments for acres mined as of July 1, 1994, within settling areas 6A and 8A at the Swift Creek Mine and Reclamation Programs OCC-SR-HC(3), OCC-SR-SP(6), OCC-SR-HC(2), and the portion of OCC-SR-RC(2) previously reserved for tailings fill at Suwannee River Mine at the rate of \$500 per surface acre mined. The payments under this paragraph for settling areas 6A and 8A will be made for the year that the respective settling areas are permanently removed from service. Payments for the other areas listed in this paragraph will be due for the years that the respective areas are reported as

"reclamation complete" in the annual report to DEP, but no later than three years after the approval of the conceptual plan modifications.

(G) The \$500 or \$1,000 per acre contribution rate will be adjusted annually by the construction cost index as published in the Engineering News Record and used by DEP in the adjustment of nonmandatory land reclamation funding, beginning December 31, 1994.

(H) Occidental's initial year minimum contribution will be \$750,000. The minimum payment to be made in the second year will be \$500,000. Occidental will make a minimum contribution of \$250,000 at least through the year 2001 and in all subsequent years until the permanent cessation of its mining operations in Hamilton County, Florida. The minimum contributions made pursuant to this paragraph are not subject to escalation or adjustment. Any contribution in excess of the amount due for acres actually mined will be credited against future payments.

(I) Occidental will provide DEP with evidence of financial responsibility, in a form acceptable to DEP, for the minimum payments required through the year 2001, and for payments due on existing settling areas as described in paragraph 6(E). Such evidence of financial responsibility shall conform to either the requirements of Section 378.208, Florida Statutes (1993) or the provisions of Rule 62-673.640, Florida Administrative Code (1993). Occidental shall propose the form of financial responsibility at the time of submittal of the conceptual plan modifications, and DEP's consent to such proposal shall not be

unreasonably withheld..

7. Recommendations concerning specific parcels to be acquired using the fund established by Occidental's contributions required by this Memorandum of Agreement will be made by a committee established by DEP. The Committee will include at least a representative from the Suwannee River Water Management District, and The Nature Conservancy and other recognized environmental organizations. DEP shall establish the procedures for selecting properties for acquisition, and the actual acquisition, including the ultimate title holder. Occidental will not participate in any of the functions of the Committee, nor will Occidental hold title to any of the acquired properties.

8. If at any time in the future DEP, for any reason, becomes unable to continue the approval of reclamation plans containing the standards set forth in Paragraph 5 of this Agreement, contributions by Occidental under Paragraph 6 shall be limited to lands in which any alternate standards have been applied, including the clay settling areas listed in Paragraph 6(E) of this Agreement, and the provisions of this Agreement shall not apply for any subsequent mining operations. In such event, reclamation for the remainder of the site shall proceed in accordance with the reclamation standards and laws in effect at the time.

9. Any failure by Occidental to make timely transmission of a periodic payment as described in Paragraph 6 shall be grounds for

revocation of the alternate reclamation standards in areas for which payments have not been made. In such event, reclamation of any such areas shall proceed in accordance with the reclamation standards and laws in effect at the time.

10. This Memorandum of Agreement may be modified only in writing. Modifications, to be effective, must be signed by both parties. This agreement shall not affect or supersede any other Occidental agreement with the DEP or with any other agency or entity.

11. This Memorandum of Agreement may only be transferred or assigned by Occidental with the express written approval of DEP. Within 30 days of receipt of a complete request for transfer or assignment, DEP shall issue a final determination. The DEP shall approve the transfer of this Agreement unless it determines that the transferee cannot provide reasonable assurance that the conditions of the Agreement will be met. The determination shall be limited solely to the ability of the transferee to comply with the conditions of the Agreement, and it shall not concern the adequacy of the Agreement. If the DEP proposes to deny the transfer, it shall provide both the transferee and Occidental a written objection to such transfer together with notice of a right to request a Chapter 120, Florida Statutes, proceeding on such determination.

12. Each party is responsible for its respective attorney's fees and costs in this matter.

Virginia B. Wetherell

Virginia Wetherell
Secretary
FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, FL 32399-2400

2-1-95
Date

Michael J. Rudick

Michael J. Rudick
OCCIDENTAL CHEMICAL CORPORATION
County Road 137
White Springs, Florida 32096

1/30/95
Date

which is unsuitable for general reclamation use because of its potential hazard to the health and safety of the general public. Material of this type shall be replaced in the mine cut beneath all other backfill material.

(3) Soil Zone.

(a) The use of good quality topsoils is encouraged, especially in areas of reclamation by natural succession.

(b) Where topsoil is not used, the operator shall use a suitable growing medium for the type vegetative communities planned.

(4) Wetlands which are within the conceptual plan area which are disturbed by mining operations shall be restored at least acre-for-acre and type-for-type.

(5) Wetlands and Water Bodies. The design of artificially created wetlands and water bodies shall be consistent with health and safety practices, maximize beneficial contributions within local drainage patterns, provide aquatic and wetlands wildlife habitat value, and maintain downstream water quality by preventing erosion and providing nutrient uptake. Water bodies should incorporate a variety of emergent habitats, a balance of deep and shallow water, fluctuating water levels, high ratios of shoreline length to surface area and a variety of shoreline slopes.

(a) At least 25% of the highwater surface area of each water body shall consist of an annual zone of water fluctuation to encourage emergent and transition zone vegetation. This area will also qualify as wetlands under the requirements of subsection (4) above if requirements in paragraph 16C-16.0051(9)(d) are met. In the event that sufficient shoreline configurations, slopes, or water level fluctuations cannot be designed to accommodate this requirement, this deficiency shall be met by constructing additional wetlands adjacent to and hydrologically connected to the water body.

(b) At least 20% of the low water surface shall consist of a zone between the annual low water line and six feet below the annual low water line to provide fish bedding areas and submerged vegetation zones.

(c) The operator shall provide either of the following water body perimeter treatments of the high water line:

1. A perimeter greenbelt of vegetation consisting of tree and shrub species indigenous to the area in addition to ground cover. The greenbelt shall be at least 120 feet wide and shall have a slope no steeper than 30 feet horizontal to one foot vertical.

2. A berm of earth around each water body which is of sufficient size to retain at least the first one inch of runoff. The berm shall be set back from the edge of the water body so that it does not interfere with the other requirements of subsection (5).

(6) Water Quality.

(a) All waters of the state on or leaving the property under control of the taxpayer shall meet applicable water quality standards of the Florida Department of Environmental Regulation.

16C-16.0051 Reclamation and Restoration Standards. This section sets forth the minimum criteria and standards which must be addressed in an application for a program to be approved.

(1) Safety.

(a) Site cleanup. All lands reclaimed shall be completed in a neat, clean manner by removing or adequately burying all visible debris, litter, junk, worn-out or unusable equipment or materials, as well as all footings, poles, pilings, and cables. If any large rocks or boulders exist as a result of mining, these should be left either at the surface where they are distinctly visible or placed in mined-out areas and covered to a minimum depth of four (4) feet.

(b) Structures. All temporary buildings, pipelines, and other man-made structures shall be removed with the exception of those that are of sound construction with potential use compatible with the reclamation goals.

(2) Backfilling and Contouring. The proposed land use after reclamation and the types of landforms shall be those best suited to enhance the recovery of the land into mature sites with high potential for the use desired.

(a) Slopes of any reclaimed land area shall be no steeper than four (4) feet horizontal to one (1) foot vertical to enhance slope stabilization and provide for the safety of the general public. For long continuous slopes, mulching, contouring, or other suitable techniques shall be used to enhance stabilization. Should washes or rills develop after revegetation and before final release of the area, the operator shall repair the eroded areas and stabilize the slopes to eliminate any further similar erosion.

(b) The operator shall inform the department of the nature and an estimate of the amount of areas planned to be restored during mining operations.

(b) Water within all wetlands and water bodies shall be of sufficient quality to allow recreation or support fish and other wildlife.

(7) Flooding and Drainage.

(a) The operator shall take all reasonable steps necessary to eliminate the risk that there will be flooding on lands not controlled by the operator caused by silting or damming of stream channels, channelization, slumping or debris slides, uncontrolled erosion, or intentional spoiling or diking or other similar actions within the control of the operator.

(b) The operator shall restore the original drainage pattern of the area to the greatest extent possible. Watershed boundaries shall not be crossed in restoring drainage patterns; watersheds shall be restored within their original boundaries. Temporary roads shall be returned at least to grade where their existence interferes with drainage patterns.

(8) Waste Disposal.

(a) Clay Wastes.

1. Disposal areas shall be reclaimed as expeditiously as possible. Experimental methods which speed reclamation and which are consistent with these rules are encouraged.

2. To the greatest extent practical, all waste clays shall be disposed of in a manner that reduces the volume needed for disposal.

3. Above-ground disposal areas shall be reclaimed in a manner so that long-term stabilization of retention dikes and dams is assured.

4. Waste clays shall be disposed of in a manner which minimizes the length of time waste disposal sites are needed for mining operations, reduces the impact on drainage patterns and premining topography, and considers postreclamation land use potential.

(b) Sand Tailings.

1. Sand tailings should not be permanently spoiled above natural grade unless needed to meet regulatory or environmental requirements.

2. The operator shall give highest priority to the use of sand tailings for backfilling mine cuts, for accelerating the thickening of waste clays, or as a soil enhancer by mixing the sand with the surface clays on clay storage areas.

(9) Revegetation. The operator shall develop a revegetation plan to achieve permanent revegetation, which will minimize soil erosion, conceal the effects of surface mining, and recognize the requirements for appropriate habitat for fish and wildlife.

(a) The operator shall develop a plan for the proposed revegetation, including the species of grasses, shrubs, trees, aquatic and wetlands vegetation to be planted, the spacing of vegetation, and, where necessary, the program for treating the soils to prepare them for revegetation.

(b) All upland areas must have established ground cover for one year after planting over 80% of the reclaimed upland area, excluding roads, groves, or row crops. Bare areas shall not exceed one-quarter (1/4) acre.

(c) Upland forested areas shall be established to restore premining conditions where practical and where consistent with proposed land uses. At a minimum, 10% of the upland area will be revegetated as upland forested areas with a variety of indigenous hardwoods and conifers. Upland forested areas shall be protected from grazing, mowing, or other adverse land uses to allow establishment. An area will be considered to be reforested if a stand density of 200 trees/acre is achieved at the end of one year after planting.

(d) All wetland areas shall be restored and revegetated in accordance with the best available technology.

1. Herbaceous wetlands shall achieve a ground cover of at least 50% at the end of one year after planting and shall be protected from grazing, mowing, or other adverse land uses for three years after planting to allow establishment.

2. Wooded wetlands shall achieve a stand density of 200 trees/acre at the end of one year after planting and shall be protected from grazing, mowing, or other adverse land uses for five years or until such time as the trees are ten feet tall.

(e) All species used in revegetation shall be indigenous species except for agricultural crops, grasses, and temporary ground cover vegetation.

(10) Wildlife.

(a) The operator shall identify what measures have been incorporated into the conceptual plan or program to offset fish and wildlife values lost as a result of mining operations and shall identify special programs to restore, enhance, or reclaim particular habitats, especially for endangered and threatened species, as identified by the Florida Game and Fresh Water Fish Commission or the U. S. Fish and Wildlife Service.

(b) The operator may designate specific locations within the mine as "Wildlife Areas" and include a plan for reclamation and management for sites so designated. Slopes, revegetation, and erosion control requirements may be waived or modified by the department in such areas on a case-by-case basis where such changes will benefit the overall plan for the propagation of wildlife areas.

(11) Time Schedule.

(a) Each operator shall develop a time schedule for completion of the reclamation process in the area covered by the application. The time schedule shall include an estimate of:

1. When removal of phosphate rock in the area will be completed, including the estimated acreage to be mined in each calendar year that mining will occur.

2. When any other mining operations phase in the area will be completed and an explanation of such operations.

3. When waste disposal will be started and completed.

4. When contouring will be started and completed.

5. When revegetation will be started and completed.

(b) Completion dates.

1. Where mined-out areas will be used for waste disposal, waste disposal shall be completed as soon as practical after mining has occurred. Waste disposal on other sites shall also be completed as soon as practical. The completion date for waste disposal shall consider the availability and volume of materials needed.

2. Contouring for all areas mined in a given calendar year shall be completed no later than 18 months after the end of that calendar year or 18 months after an area is capable of being contoured when additional mining operations, such as waste disposal, occur. If contouring is needed on lands that are disturbed by mining operations, but not mined, then contouring on such lands shall be completed no later than the end of the year following the year in which mining operations ceased on such lands.

3. Revegetation shall be completed as soon as practical after each area is contoured, but no later than six months after contouring is required to be completed. The executive director may allow a later completion date upon a showing of good cause.

4. Reclamation and restoration shall be completed within two (2) years of the actual completion of mining operations, exclusive of the required growing season to ensure the growth of vegetation, except that where sand-clay-mix or other innovative technologies are used, the department may specify a later date for completion. The required completion date may vary within a program, depending upon the specific type of mining operation conducted.

5. The completion dates for each phase of the reclamation and restoration activities shall be extended by the period of any delays attributable to causes beyond the reasonable control of the operator.

6. Initiation and completion dates should be specified by month and year only with initiation being the first day of the month and completion being the last day of the month.

7. If the operator designates any mine cut as a future mineable face, the requirements for reclamation on the mineable face and an appropriate buffer zone may be delayed for a maximum period of five years; however, upon a clear demonstration of just cause by the operator, the executive director may exceed the five-year delay period. If mining has not resumed along the mineable face within the five-year or approved, longer delay period, the mineable face and buffer zone shall be reclaimed as specified in the approved program. Completion dates for waste disposal, contouring, and revegetation shall be in accordance with 1., 2., and 3. above; however, the completion dates shall be extended by the five-year or approved, longer grace period.

8. The actual completion dates for contouring, revegetation, and the period of establishment shall be based on information provided in the annual reports as required by section 16C-16.0091, and verified by the bureau.

(12) Exceptions and Innovations. In order to encourage the development of new technology

which will hasten reclamation or improve the quality of restored lands, the board may grant a variance to any of the requirements of section 16C-16.0051 for the following circumstances:

(a) Experimental or innovative techniques where the technology is not proven.

(b) Methods which will increase the overall quality of the reclamation program through the creation of particular landforms or habitats.
Specific Authority 211.32, 370.021, 378.207 FS. Last Implemented 211.32, 378.207 FS. History: N-10-6-80, Amended 7-19-81, Formerly 16C-16.051, Amended 2-22-87.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

MEMORANDUM OF AGREEMENT

Between

OCCIDENTAL PETROLEUM CORPORATION,
As Assigned to WHITE SPRINGS AGRICULTURAL CHEMICALS
And
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

MODIFICATION NO. 2

WHEREAS Occidental Petroleum Corporation and the Florida Department of Environmental Protection (hereinafter the "Department") entered into a Memorandum of Agreement (hereinafter the "Agreement") signed by Michael J. Rudick for Occidental and Virginia B. Wetherell for the Department on January 30, 1995, and February 1, 1995, respectively; and

WHEREAS this Agreement memorialized the resolution of the parties' differences and settled the issues of fact and law as set forth in DOAH Case No. 92-4506; and

WHEREAS the Agreement was assigned from Occidental to White Springs Agricultural Chemicals, Inc. (hereinafter "WSA") in a modification executed on behalf of Occidental on October 25, 1995, on behalf of WSA on October 26, 1995, and on behalf of the Department on November 21, 1995; and

WHEREAS WSA is now a wholly-owned subsidiary of Potash Corporation of Saskatchewan, Inc. (hereinafter "PCS") and PCS is now responsible for corporate guarantees of finances; and

DEP/PCS MEMORANDUM OF AGREEMENT MODIFICATION NO. 2
PAGE 2

WHEREAS WSA must amend its existing wetlands permit with the US Army Corps of Engineers (hereinafter "the Corps") in order to meet the terms of this Agreement; and

WHEREAS WSA will be responsible for mitigation of wetlands impacts from activities regulated by the Corps permit modification; and

WHEREAS the Agreement provides a schedule of minimum monetary contributions to be made by WSA from 1997 until permanent cessation of WSA's mining operations in Hamilton County, Florida; and

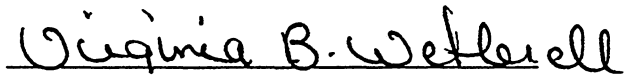
WHEREAS the Corps requires that WSA accelerate the delivery of certain monetary contributions required under the Agreement in order to ensure that wetlands impacted under the existing permit will be mitigated through the acquisition and management of environmentally sensitive lands funded by WSA's contributions;

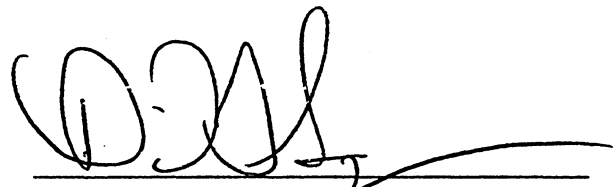
NOW THEREFORE the Agreement is modified as follows:

1. The evidence of financial security required by Paragraph 6(I) of the Agreement shall be provided by Potash Corporation of Saskatchewan.
2. Any contributions made by or for WSA in excess of the amounts required by Paragraph 6(H) of the Agreement shall be credited forward against future contributions under the Agreement.

DEP/PCS MEMORANDUM OF AGREEMENT MODIFICATION NO. 2
PAGE 3

Except as expressly modified by Items 1 and 2 above, all other provisions of the Agreement and Modification No. 1 thereof remain in effect.


Virginia B. Wetherell, Secretary 12-26-96
Department of Environmental Protection
3900 Commonwealth Blvd.; MS 35
Tallahassee, Florida 32399-3000


David T. Sawyer, Assistant Secretary
White Springs Agricultural Chemicals, Inc.
P.O. Box 300, County Road 137
White Springs, Florida 32096

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

MEMORANDUM OF AGREEMENT
Between
OCCIDENTAL CHEMICAL CORPORATION,
As Assigned to WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.
And
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

ADDENDUM NO. 1

This Addendum No. 1 is made and entered into on this 15th day of April, 1997, between the Florida Department of Environmental Protection (the "Department") and White Springs Agricultural Chemicals, Inc. ("WSA").

WITNESSETH:

WHEREAS Occidental Chemical Corporation and the Florida Department of Environmental Protection entered into a Memorandum of Agreement (the "Agreement") on January 30, 1995, and February 1, 1995, respectively; and

WHEREAS this Agreement was assigned from Occidental Chemical Corporation to White Springs Agricultural Chemicals, Inc. in a modification executed by Occidental on October 25, 1995, and by the Department on November 21, 1995; and

WHEREAS Paragraph 6(A) of the Agreement provides that contributions made by WSA will be made on an annual basis to a mutually-agreed upon nonprofit environmental organization in trust for the State of Florida and pursuant to an agreement to be entered into between that environmental organization and the State of Florida; and

WHEREAS the Parties have agreed that The Nature Conservancy is the appropriate nonprofit environmental organization to accept the annual contributions and hold them in trust for the State of Florida; and

WHEREAS The Nature Conservancy has agreed to accept the fiduciary responsibilities associated with accepting the annual contributions and holding them in trust for the State of Florida; and

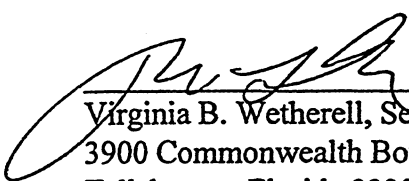
NOW THEREFORE the parties shall agree as follows:

1. The Nature Conservancy shall accept the annual contributions contributed by WSA and shall hold the moneys in trust for the acquisition and management of environmentally-sensitive lands in the Upper Suwannee Region pursuant to the terms of the Agreement.

2. The Department shall enter into an agreement with The Nature Conservancy prior to WSA's first contribution. This agreement, the form of which is attached to this Addendum No. 1, shall outline the responsibilities and duties of The Nature Conservancy in accepting and managing these moneys, holding them in trust for the State of Florida and acquiring lands in the Upper Suwannee Region.


3. The Department and WSA shall evaluate the performance of The Nature Conservancy as to its fiduciary and acquisition responsibilities every three years to ensure that the intent of the MOA is effectively and efficiently carried out.

FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION



Virginia B. Wetherell, Secretary
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

WHITE SPRINGS AGRICULTURAL
CHEMICALS, INC.



As Its ASSISTANT SECRETARY
P.O. Box 300, County Road 137
White Springs, Florida 32096

TRUST AND ACQUISITION AGREEMENT BETWEEN THE NATURE CONSERVANCY
AND
THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

April 1997

TABLE OF CONTENTS

ARTICLE I: FIDUCIARY RESPONSIBILITIES 6

- 1.01 Delivery of Contributions to the Conservancy
- 1.02 Contributions held in Trust by Conservancy
- 1.03 Conservancy Authority
 - a. Delegation of Investments Functions to Asset Manager
 - b. Bank and Investment Accounts
 - c. Disbursement Authority and Disbursements Priorities
 - d. Independent Evaluations
- 1.04 Contribution Investments
- 1.05 Fees for Conservancy Services and Invoicing Procedures
- 1.06 Reimbursement of Expenses
- 1.07 Contributions Account Management Fees

ARTICLE II: TEAM RESPONSIBILITIES 12

- 2.01 Upper Suwannee Region Land Acquisition & Management Advisory Team
- 2.02 Upper Suwannee Region Land Acquisition and Management Selection Team
- 2.03 Spending Rate
- 2.04 Five-Year Projection

ARTICLE III: CONSERVANCY SERVICES AND RESPONSIBILITIES 13

- 3.01 Services Provided by the Conservancy
 - a. Preparation of Strategic Plan
 - b. Technical Services
 - c. Acquisition Services
 - d. Management Consultant Services
 - e. Disbursement of Funds for Management
- 3.02 Parcel Acquisition
- 3.03 Appraisals
- 3.04 Negotiations
- 3.05 Progress Reports, Records and Audit
 - a. Annual Activity Report
 - b. Records and Audits
 - c. Additional Records
- 3.06 Confidentiality; Conflicts
- 3.07 Acquisition Documents
 - a. Contract Assignments

- b. Acquisition and Transfer
- c. Acquisition by Directing Delivery of the Deed to Designated Agency
- d. Acquisition by Delivery of Funds
- e. Cooperative Agency Acquisitions
- 3.08 Legal and Related Acquisition and Transfer Support
- 3.09 Managing Pre-Acquisition Due Diligence and Other Acquisition Related Services
- 3.10 Alternate Funding Sources
- 3.11 Management Services
- 3.12 Communications
- 3.13 Relationship
- 3.14 Delegation by the Department

ARTICLE IV: DEPARTMENT RESPONSIBILITIES 23

- 4.01 Work Orders
- 4.02 Description of Lost Habitat
- 4.03 Approval of the Strategic Plan
- 4.04 Property Information
- 4.05 Acknowledgment
- 4.06 Confidentiality; No Conflict

ARTICLE V: TERM 24

ARTICLE VI: TERMINATION 24

- 6.01 Termination for Default
- 6.02 Termination for Convenience
- 6.03 Distribution of Contributions Upon Termination

ARTICLE VII: INSURANCE 26

ARTICLE VIII: MISCELLANEOUS 26

- 8.01 Assignment
- 8.02 Authorized Representative
- 8.03 Notices
- 8.04 Governing Law
- 8.05 Unenforceability
- 8.06 Entire Agreement
- 8.07 No Waiver
- 8.08 Force Majeure
- 8.09 Equal Opportunity Employment

TRUST AND ACQUISITION AGREEMENT BETWEEN
THE NATURE CONSERVANCY
AND
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

AGREEMENT made this _____ day of _____, 1997, by and between the Florida Department of Environmental Protection, a regulatory state agency within the State of Florida (the "Department"), and The Nature Conservancy, a nonprofit District of Columbia corporation, exempt from Federal taxation under Section 501(c)(3) of the Internal Revenue Code, authorized to transact business in the State of Florida as The Nature Conservancy, Inc. (the "Conservancy").

W I T N E S S E T H

WHEREAS the Department is the successor agency to the Department of Natural Resources; and

WHEREAS the Bureau of Mine Reclamation is the bureau within the Department responsible for regulating reclamation activities for phosphate mining operations pursuant to the provision of Chapter 378, Florida Statutes (1993) (the "Reclamation Laws"), and Chapter 62C-16, Florida Administrative Code (1993) (the Reclamation Rules); and

WHEREAS the Conservancy is a conservation organization with expertise in the acquisition and management of environmentally sensitive lands; and

WHEREAS prior to October 1995 Occidental Chemical Corporation ("Occidental") was the owner and operator of the Swift Creek and Suwannee River Phosphate Mines located in Hamilton County, Florida (collectively, the "Hamilton County Mine"); and

WHEREAS on June 12, 1992, the Department issued a Final Order denying Occidental's application for a modification of existing conceptual reclamation plans for the Hamilton County Mine and denying Occidental's application for approval of

corresponding reclamation programs and corresponding program amendments; and

WHEREAS pursuant to that certain Memorandum of Agreement by and between the Department and Occidental dated February 1, 1995, (the "Memorandum"), the parties resolved the issues which led to the issuance of the Department's Final Order of June 12, 1992, and the Department agreed that in the event the Department granted Occidental's application for conceptual plan modification, areas of the Hamilton County Mine mined and disturbed by Occidental after July 1, 1994, may be reclaimed in accordance with alternative reclamation standards as set forth in the Memorandum; and

WHEREAS Potash Company of Saskatchewan ("PCS") purchased the Hamilton County Mine from Occidental in October of 1995; and

WHEREAS PCS, as successor to Occidental's conceptual reclamation plans, is bound by the Memorandum and has agreed to honor its terms; and

WHEREAS the Department has approved the application for the conceptual plan modification for the Hamilton County Mine pursuant to the Memorandum, and PCS is obligated, as consideration for the granting of certain variances from the Reclamation Laws and Reclamation Rules, to make periodic monetary contributions (the "Contributions") to a mutually agreed upon nonprofit organization for the purpose of funding a project for the acquisition and management of environmentally sensitive lands in the areas described by the Suwannee River Water Management District as the Upper Suwannee Region (the "Project Area"); and

WHEREAS the Department and PCS have agreed that the Contributions shall be made to the Conservancy, in trust for the State of Florida; and

WHEREAS the Department and the Conservancy hereby agree that the Contributions shall be held by the Conservancy under the terms and conditions contained herein.

NOW THEREFORE, for good and valuable consideration, the Department and the Conservancy agree as follows:

ARTICLE I
FIDUCIARY RESPONSIBILITIES

1.01 Delivery of Contributions to the Conservancy. Pursuant to the Memorandum, PCS is required to deliver the Contributions to the Conservancy on an annual basis, on or before March 1st of each year. The Conservancy shall provide notice to the Department within 14 days after receipt of each Contribution from PCS. The Conservancy shall have no responsibility for collection of such Contributions from PCS or for computing the annual amount of the Contributions.

The Conservancy shall provide the Bureau of Mine Reclamation, Department of Environmental Protection, with an annual accounting of the Contributions received from PCS. The Conservancy shall use standard accounting procedures as reasonably required by the Department. The accounting shall be due at the Department on April 1 of each year during the term of this Agreement.

1.02 Contributions held in Trust by Conservancy. Upon receipt of the Contributions, the Conservancy shall place the funds in an investment account (the "Contribution Account"). The Contributions will be held by the Conservancy in trust and under the terms and conditions contained herein. The Contributions shall not be commingled by the Conservancy with other Conservancy funds.

1.03 Conservancy Authority. The Conservancy shall have wide authority to manage the Contribution Account within the investment policy set forth in paragraph 1.04 below. The Conservancy shall have the authority to invest and manage the Contributions and to exercise all other rights incidental to the ownership of the Contributions subject to the terms and conditions of this Agreement. The Conservancy shall manage, direct and control the capital and other assets of the Contribution Account and the income, interest, dividends and/or capital gains that are produced, pursuant to the "prudent investor rule," as provided in s. 518.11, F.S.(1995). So long as the Conservancy is in compliance with the terms of this Agreement and the provisions of s. 518.11, F.S., the Conservancy shall be deemed to have employed the care and diligence required by the "prudent investor rule."

The Conservancy shall not be responsible for adverse changes in the value of the Contribution Account through fluctuations in capital markets over which it has no control and for which the Conservancy has taken reasonable steps to mitigate the adverse effects.

The Conservancy shall not be liable for the acts and doings of the Department, or for the acts and doings of any agent, representative, or asset manager selected hereunder, pursuant to s. 518.112(2)(a), F.S.(1995), with reasonable care, judgment and caution, but shall be liable only for its own defaults and negligence.

To fulfill its fiduciary responsibilities as defined in this section, and subject to the restrictions described herein, the Conservancy shall have the following specific powers:

a) Delegation of Investment Functions to Asset Manager.

The Conservancy may delegate investment functions to an investment agent (the "Asset Manager") as provided in s. 518.112(1), (F.S.) (1995). The Conservancy shall select a firm to serve as Asset Manager and pay for its services from the Contribution Account. The Conservancy does not need prior Department approval to disburse funds from the Contribution Account to pay for the services of the Asset Manager; however, the funds expended for these services shall be reported on the Annual Activity Report as described in paragraph 3.05(a) below.

The Conservancy may, at its discretion, delegate the functions of the Asset Manager to more than one asset manager.

The Conservancy shall exercise reasonable care, judgment, and caution in selecting the Asset Manager. The Conservancy shall establish the scope and specific terms of any delegation, and periodically review the Asset Manager's actions in order to monitor overall performance and compliance with the scope and specific terms of the delegation.

The Conservancy shall contract with the Asset Manager. The Asset Manager's contract shall be attached to this Agreement.

The Conservancy shall identify the Asset Manager to the Department within 30 days of selection and shall notify the Department within 30 days of the replacement of the Asset Manager and/or any amendment to the Asset Manager contract, during the life of this Agreement.

b) Bank and Investment Accounts. The Conservancy may open bank and investment accounts in the name of the Conservancy in trust for the State of Florida, as necessary, for purposes related strictly to the objectives and provisions of this Agreement.

c) Disbursement Authority and Priorities. The Conservancy may disburse the fees and costs defined below from the Contribution Account. The amount of moneys available for disbursement from the Contribution Account is solely dependent on the Spending Rate as defined in paragraph 2.03 below. The disbursements from the Contribution Account will be made according to the following order of priority (the "Disbursement Priorities") and according to the invoicing and approval provisions in paragraphs 1.03(a), 1.03(d), 1.03(c)(1), 1.05, 1.06 and 1.07 below:

1) To pay miscellaneous costs or fees associated with maintaining the Contribution Account, including but not limited to, taxes legally assessed on the income or capital and other operational costs. The Conservancy may pay these miscellaneous fees or costs directly from the Contribution Account without prior approval of the Department. These fees and costs shall be included on the Annual Activity Report as described in paragraph 3.05(a) below.

2) Reimbursements of Conservancy expenses, described in paragraph 1.06 below; Asset Manager(s) fees, described in paragraph 1.03(a) above; Conservancy service fees, described in paragraph 1.05 below; account management fees, described in paragraph 1.07 below; and fees for independent evaluations requested by the Department, described in paragraph 1.03(d).

3) Funds remaining after payment of Disbursement Priorities (1) and (2) above will be available, subject to the Spending Rate, as defined in paragraph 2.03 below, for funding the acquisition and management activities for lands identified in the Strategic Plan, as defined in paragraph 3.01(a) below, and as directed by the AMST.

The Conservancy may disburse funds for acquisition and management activities, including purchase price and purchaser closing costs, directly from the Contribution Account after the

Department has approved the acquisition or the Department has approved the documents for management.

All fees and costs disbursed from the Contribution Account shall be reported in the Annual Activity Report as provided in paragraph 3.05(a) below.

d) Independent Evaluations. The Conservancy shall contract, when directed by the Department, for the performance of an independent evaluation of the performance of the Conservancy in managing the Contribution Account. The cost of the independent evaluation shall be disbursed directly from the Contribution Account.

1.04 Contribution Investments.

Investments of the Contributions will be made as follows:

a) The investment portfolio of the Contribution Account will be composed of short term cash investments and long term investments in accordance with the percentages of such investment types determined from the Five-Year Projection as defined in paragraph 2.04 below. Investments must be sound and prudent and the portfolio will not include investments of a highly speculative nature.

1) Short term investments. Until 30 days after the Conservancy's initial receipt of the first five-year projection (the "Start-Up Period"), all Contributions shall be maintained in short term cash investments. Subsequent to the Start-Up Period, the percentage of the Contribution Account invested in short term cash investments shall be in accordance with the five-year projections submitted to the Conservancy.

2) Long term investments. Subsequent to the Start-Up Period, the percentage of the Contribution Account invested in long term investments shall be in accordance with the five-year projections submitted to the Conservancy. All long term investments shall be invested in accordance with the Summary of Investment Strategy set forth in Exhibit "A", attached hereto and incorporated herein by reference.

1.05 Fees for Conservancy Services and Invoicing Procedures.

In addition to the fees set forth in paragraph 1.07, in

consideration of the services performed hereunder, the Department shall authorize the Conservancy to withdraw funds from the Contribution Account for its services rendered in accordance with the Fee Schedule set forth in Schedule A attached hereto and incorporated herein and pursuant to the invoicing procedures set forth below.

The Conservancy shall submit quarterly invoices for its services to the Audit Administrator, Bureau of Mine Reclamation, Florida Department of Environmental Protection, 2051 E. Dirac Drive, Tallahassee, Florida 32303. Invoices shall identify the period in which the work was performed and include a clear and concise description of the work performed and the number of hours expended by the Conservancy staff.

Withdrawal of the funds shall be authorized after the Department's receipt, review and approval of the Conservancy's invoices. The Department shall review and approve or disapprove, in writing, all invoices within 30 days of receipt of a complete invoice. In the event that the Department does not approve the invoice within 30 days, the Conservancy has the authority to withdraw funds in the amount of the submitted invoice after the 30-day review period has expired, subject to later adjustment by the Department.

Later approval of the invoice and adjustment of the withdrawn amount must be completed by the Department within six months from the date of the invoice or the submitted invoice is deemed approved and the Department shall have waived the right to make any adjustments. However, the Conservancy shall give the Audit Administrator thirty-days written notice that the six month review period will expire and that the Department will waive its right to make adjustments after that time.

The Conservancy shall report the withdrawal of fees for services on the Annual Activity Report as provided in paragraph 3.05(a) below.

1.06 Reimbursement of Incidental Expenses. Any reasonable out-of-pocket expenses incurred by the Conservancy in the performance of this Agreement will be reimbursed to the Conservancy from the Contribution Account with prior approval of the Audit Administrator. Such expenses shall include, but are not limited to, printing and photography costs, travel expenses, property taxes, appraisal maps, professional publications, including but not limited to plat book publications and other informational

publications relevant to the project area, survey costs, environmental assessment costs, closing expenses, appraisal expenses, and title search and title insurance expenses. Notwithstanding this provision, the option fee, purchase price, and purchaser closing costs for the acquisition of parcels contained in the Strategic Plan may be disbursed directly from the Contribution Account without prior approval of the Department.

The Department further agrees to reimburse the Conservancy for professional fees (including legal and accounting fees) incurred by the Conservancy in connection with the creation of this Agreement in an amount not to exceed \$2,000.00 (the "Professional Fees"). The Professional Fees and expenses incurred in the performance of this Agreement may be withdrawn from the Contribution Account after approval by the Department.

For purposes of reimbursement of costs and expenses, the Conservancy shall present to the Audit Administrator a written Request for Reimbursement ("Request") accompanied by receipts, paid invoices or other appropriate documentation evidencing the costs or expenses. The Audit Administrator shall review and approve or disapprove, in writing, all Requests within 30 days of receipt of a complete Request. In the event the Audit Administrator does not approve the Request within 30 days, the Conservancy has the authority to withdraw funds in the amount of the submitted Request after the 30-day review period has expired, subject to later adjustment by the Audit Administrator.

Later approval of the Request and adjustment of the withdrawn amount must be completed by the Department within six months from the date of the Request or the submitted Request is deemed approved and the Department shall have waived the right to make any adjustments. However, the Conservancy shall give the Department thirty-days written notice that the six month review period will expire and that the Department will waive its right to make adjustments after that time.

1.07 Contributions Account Management Fees. During the first year of this Agreement, the Conservancy shall be entitled to withdraw from the Contribution Account an Account Management Fee equal to 0.25% of the value of the initial contribution made by PCS to cover its costs directly related to fulfilling its fiduciary responsibility relating to the Contribution Account. The Conservancy may withdraw the fee quarterly directly from the

Contribution Account and shall include the withdrawal on the Annual Activity Report. Future Account Management Fees shall be negotiated between the Conservancy and the Department by March 1, 1998. For the purposes of this paragraph, the Account Management Fee shall include professional services rendered in: (1) managing the Contribution Account; and (2) overseeing the Asset Manager.

ARTICLE II TEAM RESPONSIBILITIES

2.01 Upper Suwannee Region Land Acquisition and Management Advisory Team. The Upper Suwannee Region Land Acquisition and Management Advisory Team (the "AMAT") was established by the Secretary of the Department pursuant to a December 20, 1996, memorandum (attached) entitled "The Upper Suwannee Region Land Acquisition and Management Teams-Creation and Responsibilities." This team shall serve as an advisory body to the Department for issues related to the acquisition and management of environmentally-sensitive lands which will be purchased with funds provided by PCS.

This team shall work with the Conservancy on the preparation of the Strategic Plan as defined in 3.01(a) below. The AMAT shall submit the draft Strategic Plan to the Department for review and adoption.

2.02. Upper Suwannee Region Land Acquisition and Management Selection Team. The Upper Suwannee Region Land Acquisition and Management Selection Team (the "AMST"), was established by the Secretary of the Department, pursuant to the December 20, 1996, memorandum described in paragraph 2.01 above. This team shall ~~to~~ serve as an advisory body to the Secretary of the Department on matters related to the selection and acquisition and/or management of environmentally-sensitive lands funded with the proceeds provided by PCS. The AMST shall determine, with the assistance of the Conservancy, the parcels on which the Conservancy should initiate negotiations, and shall determine the parcels which should be acquired or managed.

2.03 Spending Rate. For the purposes of this Agreement, the Spending Rate is the annual amount of money available for disbursement from the Contribution Account for all purposes for that year. The AMST shall establish the Spending Rate annually.

The initial Spending Rate shall be established on or before September 30, 1997. Until this date, no disbursements may be made from the Contribution Account except to pay the fees and related costs of the Asset Manager described in paragraph 1.03(a) and the costs described in paragraph 1.03(c)(1) and (2).

The Spending Rate shall be determined each year on the anniversary of the establishment of the first Spending Rate. In the event the AMST fails to establish a Spending Rate within 30 days of the anniversary date, the Spending Rate for that year shall be equivalent to previously-committed and approved expenditures of the Conservancy plus \$250,000.00. Notwithstanding anything herein to the contrary, the Spending Rate shall not be decreased below the minimum amount required to pay the Disbursement Priorities set forth in paragraph 1.03(c)(1) and (2) above.

The Department shall notify the Conservancy of all changes in the Spending Rate within seven days after the Rate is changed. All such notifications shall be in writing.

2.04 Five-Year Projection. For investment purposes, the Department shall provide the Conservancy with a five-year projection of inflows to, and outflows from, the Contribution Account. This projection may be updated, if needed, at the discretion of the Department.

ARTICLE III

CONSERVANCY SERVICES AND RESPONSIBILITIES

3.01 Services Provided by the Conservancy. The Conservancy shall provide the services described in paragraphs 3.01(a)-(e) and 3.03 and 3.04 below at the direction of and upon receipt of a written work order from the Department:

(a) Preparation of the Strategic Plan. Based on the land acquisition and management recommendations made by the AMAT, the Conservancy shall prepare and submit to the AMAT, a draft Strategic Plan which identifies and lists as many land acquisition and management options in the Upper Suwannee Region as it deems practical.

The draft Strategic Plan shall include the following: (a) criteria for parcel selection; (2) regional/basin map showing approximate location of candidate parcels; (3) a site map of the

parcels drawn on USGS topographic maps; (4) plat maps of ownership patterns within each parcel; (5) ownership information and an indication of owner's willingness to work with the program; (6) natural resource/environmental site information; (7) location of sites in relation to other conservation lands; and (8) any other pertinent information.

The Conservancy shall assist the AMAT, from time to time, as needed, in activities related to updating or revising the Strategic Plan.

(b) Technical Services. The Conservancy shall serve as technical staff to both the AMST and the AMAT. As technical staff, the Conservancy may be called upon by the Department to provide information relevant to what environmentally sensitive land should be acquired, what environmentally sensitive land is available for acquisition, the ecological significance of sites and other conservation issues relating to parcels in the Strategic Plan.

The Conservancy, through one or more of its representatives, shall provide technical assistance to the Department on an as-needed basis. Such services shall include, but shall not be limited to, informational assistance on the ecological significance and attributes of proposed sites and other conservation issues related to the lands in the Strategic Plan.

(c) Acquisition Services. The Conservancy shall provide acquisition services for acquisition of fee title or a lesser interest in any parcel of environmentally sensitive land to be purchased with the Contributions. For the purposes of this section, "acquisition" means "purchases, donations and exchanges of fee or a lesser interest in land." Towards this goal, the Conservancy will utilize its legal, real estate, negotiating and environmental preservation expertise, skills and experience.

(d) Management Consultant Services. These services include providing technical advice regarding management criteria for acquired lands, providing assistance in preparing and reviewing management plans for lands within the Strategic Plan and providing assistance in preparing and negotiating management agreements by and between the Department, the managing agency, and, where applicable, the Conservancy.

(e) Disbursement of Funds for Management. The Conservancy, based on the recommendation of the AMST and through requests of the Department, shall make annual disbursement from the Contribution Account to entities managing lands approved for management payments.

3.02 Parcel Acquisition. The Conservancy shall begin its acquisition work hereunder upon Department approval of the Strategic Plan. The Conservancy shall obtain written approval of the Secretary of the Department prior to irrevocably committing any Contribution Account funds under any acquisition contract.

The Conservancy shall not be responsible for determining whether such acquisitions adequately mitigate for on-site impacts resulting from PCS's use of alternative reclamation standards or for determining the relative functional value of lands to be acquired pursuant to this Agreement.

3.03 Appraisals. The Conservancy may contract for appraisals of the parcels within the Strategic Plan, as directed by the AMST. For all parcels appraised, the Conservancy may also contract with review appraisers to review appraisals obtained. In connection with the appraisals and appraisal reviews the Conservancy shall obtain bids from certified appraisers whose names are included on the Department's list of certified appraisers, select the appraisers and review appraisers, and direct the appraisers to conduct appraisals on the real properties in question and direct the review appraisers to conduct the appraisal reviews, all in accordance with the appraisal standards issued from time to time by the Department. The Conservancy shall be entitled to rely on the review appraiser's review report in all matters relating to the appraisal.

In the event that matching funds are obtained for the acquisition of a site, the Conservancy shall coordinate the appraisal process with the participating agency to ensure that applicable procedures and requirements are met and followed. Notwithstanding anything contained herein, in connection with property to be held by an Acquiring Entity the Conservancy may obtain appraisals and review appraisals from appraisers whose names are included on such Acquiring Entity's list of certified appraisers regardless of whether such appraisers are on the Department's list of certified appraisers. For purposes of this Agreement, an "Acquiring Entity" is the "governmental agency or

not-for-profit organization designated by the Secretary of the Department to hold fee simple title, or such lesser interest, in the property."

Such appraisals and review appraisals shall be prepared in accordance with the appraisal standards of such Acquiring Entity and need not be prepared in accordance with the Department's appraisal standards.

3.04 Negotiations. Negotiations by the Conservancy under this Agreement shall be limited solely to those parcels of real property included in the Strategic Plan, as amended from time to time. The AMST shall direct the Conservancy to contact the owners of parcels identified in the Strategic Plan in accordance with the priorities set forth in the Strategic Plan. Contacts shall be made for the purpose of determining the willingness of owners to negotiate a sale of all or a portion of the fee or lesser interest in their land. In connection with willing Sellers, the Conservancy shall negotiate for the acquisition of such interests. The Conservancy shall maintain records as set forth in paragraph 3.05(b) below of each owner contacted.

During negotiations, the Conservancy shall place owners on notice that the Department shall not be bound to any person or entity to approve or consummate a purchase, or exercise an option to purchase, as a result of the Conservancy's negotiations, unless and until approved by formal action of the Board of Trustees or an Acquiring Entity.

3.05 Progress Reports, Records and Audit.

(a) Annual Activity Report. The Conservancy will provide the Department with an annual activity report, including the status of the projects under consideration, results of negotiations and a summary of all inflows and outflows of the Contribution Account, including but not limited to, the annual contributions made by PCS to the Account, Asset Manager fees, Contribution Account Management Fees, miscellaneous fees and costs disbursed directly from the Account to the Conservancy, service fees paid to the Conservancy and reimbursements made to the Conservancy.

(b) Records and Audits. The Conservancy agrees to maintain all books, documents, papers, accounting records and other

evidences pertaining to work performed under this Agreement in such a manner as will readily conform to the terms of this Agreement, and to make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for audit or inspection by the Department or any of its duly authorized representatives.

(c) Additional Records. The Conservancy shall also maintain such records and accounts, including property, staff and financial records as reasonably requested by the Department to ensure proper accounting for all funds expended under this Agreement. These records shall be available, upon request, for audit purposes to the Department or its auditors.

3.06 Confidentiality; Conflicts. The Conservancy will maintain the confidentiality of all appraisals, offers, and other negotiation matters to the extent permitted by applicable law. This confidentiality provision shall apply to each member of Conservancy's staff who works on projects pursuant to this Agreement. No member of Conservancy's staff or member of its Board of Trustees will negotiate, approve, or otherwise participate on behalf of the Department in the purchase, sale or exchange of real property owned or to be acquired pursuant to this Agreement if the Conservancy staff member or member of its Board of Trustees has any financial interest in the land to be acquired. An affidavit certifying compliance with the confidentiality provisions that are contained in this paragraph and disclaimer of interest in property shall be provided by the Conservancy in conjunction with each closing pursuant to this Agreement.

3.07 Acquisition Documents.

(a) Contract Assignments. The Conservancy may obtain purchase options, purchase and sale agreements or other acquisition agreements (the "Contracts") for consideration and assign all of its right, title and interest in the Contracts to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida (the "Trustees") or an Acquiring Entity. Such assignments to either the Trustees or an Acquiring Entity

shall be subject to the consent of the Trustees or the Acquiring Entity as the case may be.

1) Contracts to be assigned to the Trustees shall be on forms approved by the Department. Upon acceptance of the assignment, the Trustees, through its agents at the Department's Division of State Lands, shall close directly with the owner of the subject parcel.

2) Contracts to be assigned to an Acquiring Entity shall be on forms approved by such Acquiring Entity. Upon acceptance of the assignment, the Acquiring Entity shall close directly with the owner of the subject parcel.

3) The option fee, deposit, purchase price and other purchaser closing costs for such acquisitions shall be disbursed directly from the Contribution Account without prior approval of the Department.

(b) Acquisition and Transfer. The Conservancy may, at the Conservancy's sole expense, acquire title or such lesser interest, to real properties listed in the Strategic Plan for later reconveyance to the Department or an Acquiring Entity. In such event, it is expressly understood and agreed that acquisitions by the Conservancy will comply with the Conservancy's requirements respecting title examination, survey and environmental review and legal review. Neither the Department nor the Trustees are obligated to accept title to such properties from the Conservancy. Management of properties acquired by the Conservancy pursuant to this paragraph will be the responsibility of the Conservancy unless such property is later conveyed to the Trustees or an Acquiring Entity as set forth below.

If such properties are subsequently purchased by the Trustees or an Acquiring Entity from the Conservancy pursuant to this Agreement, the Transfer Purchase Price shall be disbursed directly from the Contribution Account to the Conservancy upon written submittal of, and approval of, the Transfer Purchase Price to the Department. This Transfer Purchase Price shall be submitted and approved prior to conveyance of the property to the Trustees or an Acquiring Entity.

For purposes of this section, purchase price for such conveyances from the Conservancy to the Trustees or an Acquiring Entity (the Transfer Purchase Price) shall equal the sum of the following: (1) the purchase price the Conservancy paid the owner of said parcel; (2) the Conservancy's direct expenses to acquire said parcel from the owner of said parcel including, but not limited to, appraisal costs, mapping costs, property taxes, survey costs, environmental assessment costs, closing expenses, appraisal and appraisal review expenses, reasonable attorney's fees, title search expenses and title insurance premium; (3) the Conservancy's fees pursuant to the fee schedule attached as Schedule A for the Conservancy's staff time expended on acquiring the parcel; and (4) the Conservancy's financing costs, which will be computed by multiplying the sum of the amounts set forth in (1) and (2) above by a factor of 0.02% per day commencing on the day the Conservancy acquires title to said parcel and ending on the day before the Conservancy conveys title to said parcel to the Trustees or the Acquiring Entity. In no event shall the Transfer Purchase Price exceed the maximum value of the parcel as determined in accordance with statutes specific to the Trustees or the Acquiring Entity (the "Approved Value"). In the event the purchase price exceeds the Approved Value of said parcel, the purchase price will be reduced to the Approved Value of said parcel.

It is understood and agreed by and between the Department and the Conservancy that the 0.02% factor referenced herein shall be modified as necessary (but not more frequently than annually) based on the financing expenses incurred by the Conservancy's Florida Regional Program.

Upon such conveyance to the Department or an Acquiring Entity, the Conservancy shall be paid compensation for management services as approved by the parties.

(c) Acquisition by Directing Delivery of the Deed to Designated Agency. The Conservancy may obtain Contracts which allow the Conservancy to direct the seller to deliver the deed of conveyance directly to the Trustees or Acquiring Entity. The purchase price, purchase money deposit and/or option fee and other acquisition expenses including but not limited to, appraisal and mapping costs, property taxes, survey and environmental assessment costs, appraisal and appraisal review expenses, title insurance costs and premiums and closing costs,

shall be disbursed directly from the Contribution Account pursuant to Secretary approval as described in paragraph 3.02 above.

(d) Acquisition by Delivery of Funds. With the approval of the Department, the Trustees and/or an Acquiring Entity may directly obtain Contracts to purchase property in accordance with the Strategic Plan pursuant to the terms and conditions of the Memorandum. The purchase price, purchase money deposit and/or option fee and other acquisition expenses shall be disbursed directly from the Contribution Account upon written approval of the Secretary of the Department.

(e) Cooperative Agency Acquisitions. Notwithstanding anything contained herein to the contrary, with regards to property purchased or acquired hereunder by the Suwannee River Water Management District pursuant to Section 373.139, F.S. (1995), and the Department, pursuant to an acquisition agreement in accordance with s. 259.041(16), F.S. (1995), all approvals, other than the initial acquisition approval required by paragraphs 3.02 and 4.03 herein, shall be obtained from the Suwannee River Water Management District instead of the Department.

3.08 Legal and Related Acquisition and Transfer Support. During the course of performance of the Contracts obtained by the Conservancy, and through the closings, Conservancy personnel will coordinate with and assist the legal staff of the Department and/or the Acquiring Entity to take title as required in order to bring the transactions to a successful conclusion. The Conservancy's regional legal staff will prepare and/or review all basic legal acquisition and closing documents, such as options or purchase and sale agreements, conservation easements, affidavits and other related documents, negotiate with counsel for the sellers and coordinate with the legal staff assigned to the transaction by the Department and/or the Acquiring Entity to ensure compliance with applicable requirements. With respect to acquisitions by the Conservancy, which are to be subsequently transferred to the Trustees or an Acquiring Entity, the Conservancy's regional legal staff will prepare the necessary documentation and provide technical support and assistance to effect the transfers.

3.09 Managing Pre-Acquisition Due Diligence and Other Acquisition Related Services. As requested in writing by the Department from time to time, the Conservancy shall manage pre-acquisition due diligence, including, but not limited to acquiring appraisal maps, title reports, commitments and policies, surveys and environmental audits. It is understood that this activity will be conducted on an "as needed" task order basis by subcontractors of the Conservancy. All subcontractors utilized to perform such activities shall be on the Department's or the Acquiring Entity's list of approved contractors for the applicable task. All due diligence relating to properties to be acquired by the Trustees shall be reviewed and approved by the Department. All due diligence relating to properties to be acquired by an Acquiring Entity shall be reviewed and approved by the applicable Acquiring Entity. In addition to any payments to the Conservancy set forth in paragraph 1.05, the Conservancy shall be reimbursed for the actual out-of-pocket expenses incurred by the Conservancy pursuant to paragraph 1.06.

3.10 Alternate Funding Sources. At the Department's discretion and upon the written request of the Department, the Conservancy will provide technical assistance to assist in securing available matching local, state and/or federal funding.

The Department acknowledges and agrees that in the event alternative funding is secured, the acquisition may be subject to specific statutory requirements and guidelines, and all documentation and procedures necessary to effect the acquisition and subsequent transfer of the property may be subject to the review and approval of the participating funding agency. In such event, the Conservancy staff will prepare the requisite documentation and submit same for approval to the funding agency and the Department, and assist and coordinate with the Department for purposes of satisfying the requirements of the funding agency.

3.11 Management Services. The Conservancy's stewardship staff, through one or more of its representatives, will provide management services to the Department on an as needed basis and subject to Conservancy staff availability. Such management services shall include informational assistance on stewardship and management issues, including advice and assistance regarding

the establishment of land and natural resource management goals, fire plans, management plans and programs. The Conservancy's stewardship staff will provide management plans to the Department on an "as needed" task order basis. Said plans may be provided either directly by the Conservancy or by a Department-approved subcontractor of the Conservancy. The Conservancy shall be paid for management services provided hereunder pursuant to the Fee Schedule as defined in paragraph 1.05 above, provided, however, in the event that the Conservancy is requested to prepare a management plan or fire plan, the Conservancy and the Department may agree to a fixed fee or other fee schedule for such management plan prior to the Conservancy's initiation of work on such management plan.

During the course of the management services performed by the Conservancy, Conservancy personnel will coordinate with and assist the legal staff and other staff of the Department in negotiating, drafting, and implementing management agreements and programs as requested by the Department.

3.12 Communications. The Conservancy will assign a member of its communications staff in its regional office to assist the Department, upon the Department's request and subject to Conservancy staff availability, in initiating and focusing on the needed communications with media, government officials, environmental organizations, community organizations, landowners and other government agencies and to assist with media events and press releases for purposes of highlighting acquisitions and management accomplished pursuant to this Agreement.

3.13 Relationship. In no event shall this Agreement or the Conservancy's negotiations create an employment relationship, express or implied, between the Department and the Conservancy. The relationship hereby created between the Department and the Conservancy is that of an independent contractor and under no circumstances is the Conservancy to be deemed an agent or agency of the Department.

3.14 Delegation by The Department. Notwithstanding anything contained herein to the contrary, any review or approval required to be given or performed by the Department pursuant to this Agreement or any other action required to be performed by the Department pursuant to this Agreement, may be delegated in

writing by the Secretary of the Department to any entity, including the Conservancy, and the Conservancy shall be entitled to rely on such written delegation in carrying out its obligations pursuant to this Agreement.

ARTICLE IV DEPARTMENT RESPONSIBILITIES

4.01 Work Orders. Notwithstanding the recommendations of the AMAT and the AMST, the Department shall issue written work orders to the Conservancy prior to the Conservancy performing any of the services described in Article III above.

4.02 Description of lost habitat. The Department shall prepare descriptions and functions of the habitat and other environmental resources which are not being replaced as a result of the variances granted by the Department in the PCS conceptual reclamation plan modification. Copies of this work shall be given to the AMAT and the Conservancy.

4.03 Approval of the Strategic Plan. The Department shall review and approve the Strategic Plan developed by the Conservancy as described in paragraph 3.01(a) above. The Conservancy shall not irrevocably commit Contribution Account Funds to any acquisition contracts prior to Department approval of the Strategic Plan. Notwithstanding this provision, the Conservancy may, with the written approval of the Department, undertake pre-acquisition due diligence as described in paragraph 3.09 above.

4.04 Property Information. The Department shall provide the Conservancy with copies of such documents, papers, appraisal maps, photographs and information related to the properties to be acquired within the Department's possession and control, including copies of all Multi-Party Acquisition Agreements entered into with the State of Florida or other participating agency which relate to parcels included in the Strategic Plan.

4.05 Acknowledgment. In the event informational plaques are placed on sites purchased as a direct result of the Conservancy's negotiations, such plaques will include a statement indicating

that the sites were acquired with the assistance of The Nature Conservancy.

4.06 Confidentiality; No Conflict. The Department will maintain the confidentiality of all appraisals, offers, and other negotiation matters to the extent permitted by applicable law. This confidentiality provision shall apply to each individual within the Department working on acquisitions pursuant to this Agreement. No member of the Department will negotiate, approve, or otherwise participate on behalf of the Department in the purchase, sale or exchange of real property to be acquired pursuant to this Agreement, if said individual has any financial interest in the land to be acquired.

ARTICLE V

TERM

Unless otherwise terminated, this Agreement shall remain in full force and effect until such time as the Contribution Account is totally expended.

ARTICLE VI

TERMINATION

6.01 Termination for Default. Either party to this Agreement shall have the right to terminate this Agreement in the event of a material default of any of its provisions and failure to cure any default to the satisfaction of the aggrieved party within sixty (60) days after receipt of written notice specifying same. In such event, the defaulting party shall remain liable to the non-defaulting party for actual damages incurred as a result thereof. Neither party shall be liable for such additional costs if the failure to perform the Agreement arises out of causes beyond the control and without the fault or negligence of either party.

If, after notice of termination for failure to fulfill Agreement obligations, it is determined, by agreement of the parties, that said failure did not occur, then the notice of termination shall be deemed void and of no force and effect and this Agreement shall continue. The rights and remedies of the respective parties provided in this clause are in addition to any

other rights and remedies provided by law or under this Agreement.

6.02 Termination for Convenience. In the event that the Department or the Conservancy are unable to proceed with this Agreement due to circumstances that impair or interfere with the implementation of the general objectives of this Agreement, but are not viewed as a material default (including, but not limited to, failure to receive the Contributions), or in the event either party desires to terminate this Agreement for its convenience, either party may terminate the Agreement at any time for convenience upon one hundred and twenty (120) calendar days prior written notice of termination to the other party. Any such termination shall be effected by delivery to the other party of a notice of termination specifying the extent to which performance of work under the Agreement is terminated, that the termination is for convenience, and the date upon which such termination becomes effective. In the event of such termination, the Conservancy shall be compensated for all authorized and accepted work performed through the termination date from the Contribution Account.

6.03 Distribution of Contributions Upon Termination. Upon termination of this Agreement by either party pursuant to either paragraph 6.01 or 6.02 above, the Department shall designate a non-profit conservation organization to hold the Contributions pursuant to the Memorandum within sixty days of the date of the notice of termination. On or before the date of termination of this Agreement, the remaining assets of the Contribution Account will be distributed to the non-profit conservation organization designated by the Department. The Conservancy shall provide the Department with a final accounting of the Contributions Account prior to distribution of the account to the successor non-profit conservation organization. The Conservancy shall be paid reasonable costs incurred for the preparation of this final accounting.

ARTICLE VII
INSURANCE

The Conservancy shall, at its expense, throughout the performance of its services pursuant to this Agreement, maintain:

(a) Occurrence basis comprehensive general liability insurance (including broad form contractual coverage) and automobile liability insurance, with a combined minimum limit of \$300,000 per occurrence, protecting it from claims for bodily injury (including death) and property damage which may arise from or in connection with the performance of the Conservancy's services hereunder or from or out of any act or omission of the Conservancy, its officers, directors, agents, and employees;

(b) Workers' compensation insurance as required by applicable law (or employer's liability insurance with respect to any employee not covered by workers' compensation) (with minimum limits of One Hundred Thousand Dollars (\$100,000) with respect to any employee not covered by workers' compensation) per occurrence; and

(c) Director's and Officer's insurance (including contractual coverage) with minimum limits of \$1,000,000 protecting the Conservancy from errors and omissions of the Conservancy from or in connection with the performance of the Conservancy's services hereunder.

All such insurance required in this section shall be in companies and on forms acceptable to the Department.

ARTICLE VIII
MISCELLANEOUS

8.01 Assignment. This Agreement is for the personal services of the Conservancy and may not be assigned by the Conservancy in any fashion.

8.02 Authorized Representatives. Each party shall appoint an authorized representative (or representatives) for such party. The Department's representative shall have the authority to transmit instructions, receive information, and interpret and

define the Department's policies and decisions pertinent to the work covered by this Agreement. The Conservancy's representative shall be authorized to act on behalf of the Conservancy regarding all matters involving the conduct of its performance under this Agreement. The initial representatives shall be Joseph Bakker for the Department; and George Willson for the Conservancy. Either party shall have the right to change its authorized representatives from time to time, throughout the term hereof, by giving written notice to the other party hereto in accordance with the notice provisions of this Agreement.

8.03 Notices.

(a) Notices required or permitted to be given hereunder shall be in writing, may be delivered personally or by mail, telex, cable or courier service and shall be deemed given when received by the addressee. Notices shall be addressed as follows:

If to the Department: Department of Environmental Protection
3900 Commonwealth Blvd.
Tallahassee, FL 32399-3000
Attention: Land Acquisition Attorneys
Office of General Counsel
Tel: (904) 488-9314
Fax: (904) 487-4938

With a copy to: Department of Environmental Protection
Division of State Lands
Bureau of Land Acquisition
3900 Commonwealth Blvd.
Mail Station 115
Tallahassee, FL 32399
Attention: Assistant Division Director
Tel: (904) 488-2351
Fax: (904) 922-4250

If to the Conservancy: The Nature Conservancy
625 North Adams Street
Tallahassee, FL 32301-1113
Attn: George Willson
Tel: (904) 222-0199

Fax: (904) 222-0973

With a copy to: The Nature Conservancy
222 S. Westmonte Drive, Suite 300
Altamonte Springs, FL 32714
Attn: Laura P. Robinson, Esq.
Tel: (407) 682-3664
Fax: (407) 682-3077

or to such other address as either party may direct by notice given to the other as hereinabove provided.

(b) Notwithstanding the foregoing, any notice sent to the last designated address of the party to whom a notice may be or is required to be delivered hereunder shall not be deemed ineffective if actual delivery cannot be made due to a change of address of the party to whom the notice is directed or the failure or refusal of such party to accept delivery of the notice.

8.04 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida.

8.05 Unenforceability. If this Agreement contains any provisions construed to be unenforceable or unlawful by a court of competent jurisdiction, the same shall be deemed modified to conform to applicable law, or if this would cause an illogical or unreasonable result, such provision shall be stricken from this Agreement without affecting the binding force and effect of the Agreement or any of its other provisions.

8.06 Entire Agreement. Respecting the subject matter hereof, this Agreement contains the entire agreement of the parties and their representatives and agents, and incorporates all prior understandings, whether oral or written. No change, modification or amendment, nor any representation, promise or condition, nor any waiver, to this Agreement shall be binding unless in writing and signed by a duly authorized officer of the party to be charged.

8.07 No Waiver. Any failure by the Department to require strict compliance with any provision of this Agreement shall not be

construed as a waiver of such provision, and the Department may subsequently require strict compliance at any time, notwithstanding any prior failure, to do so.

8.08 Force Majeure. If a force majeure event occurs which causes delays or the reasonable likelihood of delay in the achievement of the requirements of this Agreement, the Conservancy shall promptly notify the Department orally and shall, within seven calendar days, notify the Department in writing of the anticipated length and cause of the delay, the measures taken or to be taken to minimize the delay, and the timetable by which the Conservancy intends to implement these measures. If the parties can agree that the delay or anticipated delay has been or will be caused by a force majeure event, time for performance under this Agreement shall be extended for a period of time equal to the delay resulting from the force majeure event. Such agreement shall be confirmed by letter from the Department accepting or, if necessary modifying the extension request. A force majeure event shall be an act of the public enemy, war, blockade, public riot, lightning, fire, flood, explosion, failure to receive timely access and any other cause whether of the kind specifically enumerated herein or otherwise, which is not reasonably within the control of the Conservancy.


8.09 Equal Opportunity Employment. The Conservancy agrees that it will not discriminate against any employee or applicant for employment for work under this Agreement because of race, color, religion, sex, age, disability or national origin, and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to race, color, religion, sex, age, disability or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfers; recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed the day and year first above written.

THE NATURE CONSERVANCY, a nonprofit District of Columbia corporation, authorized to transact business in the State of Florida as The Nature Conservancy, Inc.

By: 
Robert Bendick

As its: Regional Director

By: 
Mike Dennis

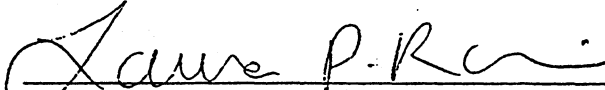
As its: Vice President

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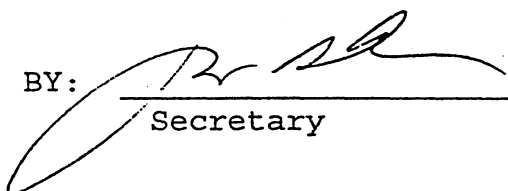
Federal Tax Identification No.

[SEAL]

ATTEST:


Assistant Secretary
Laura P. Robinson

STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION

BY: 
Secretary



Department of Environmental Protection

Lawton Chiles
Governor

MEMORANDUM OF AGREEMENT Between

Virginia B. Wetherell
Secretary

OCCIDENTAL CHEMICAL CORPORATION,
As Assigned To WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.
And
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

MODIFICATION NO. 3

WHEREAS, Occidental Chemical Corporation (hereinafter "Occidental") and the Florida Department of Environmental Protection (hereinafter "DEP") entered into a Memorandum of Agreement (hereinafter the "Agreement") signed by Michael J. Rudick for Occidental and Virginia B. Wetherell for DEP on January 30, 1995 and February 1, 1995, respectively; and

WHEREAS, this Agreement memorialized the resolution of the parties' differences and settled the issues of fact and law set forth in DOAH Case No. 92-4506; and

WHEREAS, the Agreement was assigned from Occidental to White Springs Agricultural Chemicals, Inc. (hereinafter "WSA") in a modification executed on behalf of Occidental on October 25, 1995, on behalf of WSA on October 26, 1995, and on behalf of DEP on November 21, 1995; and

WHEREAS, WSA is now a wholly-owned subsidiary of Potash Corporation of Saskatchewan, Inc., and is doing business as PCS Phosphate - White Springs; and

WHEREAS, the Agreement, in Paragraph 6.(F), provided for the application of alternate reclamation standards to certain areas that had been mined prior to execution of the Agreement, and further provided for contributions attributable to those areas to be made to the land acquisition fund established under the Agreement; and


WHEREAS, certain other areas were inadvertently excluded from the areas listed in Paragraph 6.(F)., and DEP and WSA have determined that the unique circumstances of these areas support modification of the Agreement to include them therein;

NOW THEREFORE Paragraph 6.(F) of the Agreement is modified to read as follows:

(F) Occidental will make additional payments for acres mined as of July 1, 1994, within settling areas 6A and 8A at the Swift Creek Mine and Reclamation Programs OCC-SR-HC(3), OCC-SR-SP(6), OCC-SR-HC(2), and the portion of OCC-SR-RC(2) previously reserved for tailings fill at Suwannee River Mine at the rate of \$500 per surface acre mined. Additional payments will be made for Reclamation Programs PCS-HC-HC(1) and PCS-HC-SP(8) at the rate of \$700 per surface acre mined. The \$700 per acre contribution rate will be adjusted annually by the construction cost index as published in the Engineering News Record and used by DEP in the adjustment of nonmandatory land reclamation funding, beginning December 31, 1994. The payments made under this paragraph for settling areas 6A and 8A will be made for the year that the respective settling areas are permanently removed from service. Payments for the other areas listed in this paragraph will be due for the years that the respective areas are reported as "reclamation complete" in the annual report to DEP, but no later than three years after the approval of the conceptual plan modifications.

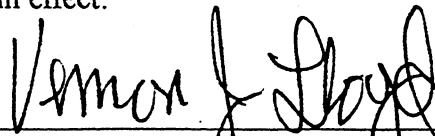
(Underlining represents language added by this Modification No. 3)

Except as expressly modified above, all other provisions of the Agreement and Modifications 1 and 2 thereof and Addendum No. 1 thereto remain in effect.



Virginia B. Wetherell, Secretary
Department of Environmental Protection
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

Date: 7-27-98



Vernon J. Lloyd, Vice President & General
Manager, Production - White Springs
White Springs Agricultural Chemicals, Inc.
P.O. Box 300, County Road 137
White Springs, FL 32096

Date: 7/30/98

MEMORANDUM OF AGREEMENT
Between
OCCIDENTAL CHEMICAL CORPORATION,
As Assigned To WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.
And
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

MODIFICATION NO. 4

WHEREAS, Occidental Chemical Corporation (hereinafter "Occidental") and the Florida Department of Environmental Protection (hereinafter "DEP") entered into a Memorandum of Agreement (hereinafter the "Agreement") signed by Michael J. Rudick for Occidental and Virginia B. Wetherell for DEP on January 30, 1995 and February 1, 1995, respectively; and

WHEREAS, this Agreement memorialized the resolution of the parties' differences and settled the issues of fact and law set forth in DOAH Case No. 92-4506; and

WHEREAS, the Agreement was assigned from Occidental to White Springs Agricultural Chemicals, Inc. (hereinafter "WSA") in a modification executed on behalf of Occidental on October 25, 1995, on behalf of WSA on October 26, 1995, and on behalf of DEP on November 21, 1995; and

WHEREAS, WSA is now a wholly-owned subsidiary of Potash Corporation of Saskatchewan, Inc., and is doing business as PCS Phosphate - White Springs; and

WHEREAS, the Agreement, in Paragraph 6.(F), provided for the application of alternate reclamation standards to certain areas that had been mined prior to execution of the Agreement, and further provided for contributions attributable to those areas to be made to the land acquisition fund established under the Agreement; and

WHEREAS, certain other areas were inadvertently excluded from the areas listed in Paragraph 6.(F), but were identified as areas subject to the alternate reclamation standards in the final approved Conceptual Reclamation Plan;

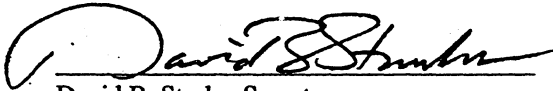
NOW THEREFORE Paragraph 6.(F) of the Agreement is modified to read as follows:

(F) Occidental will make additional payments for acres mined as of July 1, 1994, within settling areas 6A and 8A at the Swift Creek Mine and Reclamation Programs OCC-SR-HC(3), OCC-SR-SP(6), OCC-SR-HC(2), and the portion of OCC-SR-RC(2) previously reserved for tailings fill at Suwannee River Mine at the rate of \$500 per surface acre mined. Additional payments will be made for Reclamation Programs PCS-HC-HC(1) and PCS-HC-SP(8) at the rate of \$700 per surface acre mined. Additional payments will be made for the southeastern land and lakes portion of Reclamation Program PCS-SR-RC(1) at the rate of \$1,500 per surface acre, subject to the variances described in Paragraph 5 of this Agreement. The \$700 and \$1,500 per

acre contribution rate will be adjusted annually by the construction cost index as published in the Engineering News Record and used by DEP in the adjustment of nonmandatory land reclamation funding, beginning December 31, 1994. The payments made under this paragraph for settling areas 6A and 8A will be made for the year that the respective settling areas are permanently removed from service. Payments for the other areas listed in this paragraph will be due for the years that the respective areas are reported as "reclamation complete" in the annual report to DEP, but no later than three years after the approval of the conceptual plan modifications.

(Underlining represents language added by this Modification No. 4)

Except as expressly modified above, all other provisions of the Agreement and Modifications 1, 2 and 3 thereof and Addendum No. 1 thereto remain in effect.



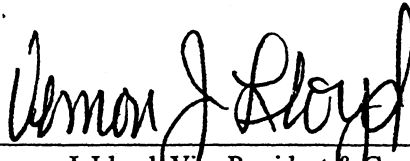
David B. Struhs, Secretary
Department of Environmental Protection
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

Date: June 28, 1999

Approved as to form and legality



DEP Attorney
W.P. Bowen



Vernon J. Lloyd, Vice President & General
Manager, Production - White Springs
White Springs Agricultural Chemicals, Inc.
P.O. Box 300, County Road 137
White Springs, FL 32096

Date: July 22, 1999